

# COUNTY OF LAKE

## State of California

Comprehensive Annual Financial Report  
Fiscal Year Ended  
June 30, 2015



**Cathy Saderlund**  
**Auditor-Controller**

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**COUNTY OF LAKE, CALIFORNIA**  
**Comprehensive Annual Financial Report**

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## **COUNTY OF LAKE**

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**Cathy Saderlund**  
Auditor-Controller/County Clerk

**Matt Perry**  
County Administrative Officer

March 3, 2016

The Honorable Board of Supervisors  
County of Lake  
255 N. Forbes Street  
Lakeport, CA 95453

### **To the Board of Supervisors and Citizens of Lake County**

It is our pleasure to present the County of Lake Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2015. This report is submitted in compliance with Sections 25250 and 25253 of the Government Code of the State of California.

Responsibility for the accuracy of data, and the completeness and fairness of the presentation rests with management. To the best of our knowledge and belief, the data presented are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the County of Lake.

Independent auditor Gallina, LLP Certified Public Accountants, has issued an unqualified ("clean") opinion on the County of Lake's financial statements for the year ended June 30, 2015. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) provides a narrative introduction, overview and analysis of the financial statements. It is located immediately following the independent auditor's report and serves to complement this letter of transmittal.

### **Profile of the Government**

Established in 1861, Lake County is a general law county governed by a five-member Board of Supervisors. The County encompasses 1320 square miles and is divided into five supervisorial districts. Policy making and legislative authority rests with the five-member County Board of Supervisors who serve four-year staggered terms. The Board of Supervisors uses the appointed County Administrative Officer organizational structure to carry out policies set forth by County Ordinance and Resolution. Other elected officials of the County of Lake are the Assessor-Recorder, District Attorney, Auditor-Controller/County Clerk, Sheriff-Coroner and Treasurer-Tax Collector. The voters of Lake County choose these public officials for four-year terms. Additional management consists of sixteen department heads appointed by the Board of Supervisors, one appointed by the University of California, and one appointed by the Lake County Superior Court Judges.

California counties are a political subdivision of the State of California and serve the needs of residents within the boundaries of each individual county. Lake County serves the needs of local residents by providing public safety, highways and streets, sanitation, health and social services, culture and recreation, public improvements, planning and zoning, and general administrative services. The County also acts as an administrative agent for state and federal government programs and services.

The County is required by state law to adopt a final budget each year. This annual budget serves as the foundation for the County's financial planning and control. Budgets are adopted for all governmental and proprietary funds and are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The

legal level of budgetary control is maintained at the fund, department, and object level with more stringent control over capital assets, and fund balance categories, which are maintained at the line item level. The Board must approve amendments or transfers of appropriations between funds or departments as well as items related to capital assets or fund balances. Supplemental appropriations necessary and normally financed by unanticipated revenues during the year must also be approved by the Board. The Board has delegated authority to approve transfers of appropriations between object levels within the same department to the County Administrative Officer.

### Policy and Executive

Jim Comstock  
Supervisor, District 1

Jeffrey Smith  
Supervisor, District 2

Jim Steele  
Supervisor, District 3

Anthony Farrington  
Supervisor, District 4

Rob Brown  
Supervisor, District 5

Matt Perry  
County Administrative Officer

Anita Grant  
County Counsel

#### Law Enforcement/Public Safety

Brian Martin  
Sheriff-Coroner

Don Anderson  
District Attorney

Bill Davidson  
Animal Control Director

Rob Howe  
Probation Officer

#### Health and Public Assistance

Jim Brown  
Health Services Director/VSO

Doug Gearhart  
Air Pollution Control Officer

Gail Woodworth  
Director of Child Support Services

Linda Morris  
Behavioral Health Director

Carol Huchingson  
Social Services Director

#### Community Resources and Facilities

Steve Hajik  
Agricultural Commissioner

Christopher Veach  
Librarian

Caroline Chavez  
Public Services Director

Mark Dellinger  
Special Districts Administrator

Greg Giusti  
UC Coop/Farm Advisor

Rick Coel  
Community Development Director

Scott DeLeon  
Public Works Director/DWR

#### General Government and Support Services

Richard Ford  
Assessor-Recorder

Barbara Ringen  
Treasurer-Tax Collector

Cathy Saderlund  
Auditor-Controller/County Clerk

Kathy Ferguson  
Human Resources Director

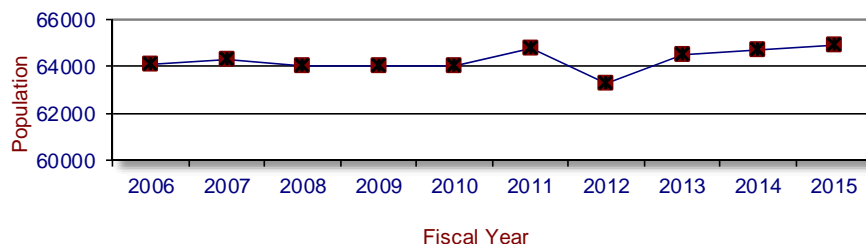
Diane Fridley  
Registrar of Voters

Shane French  
Information Technology Director

### County Geography and Demographics

Lake County is located a 2 hour drive time from the San Francisco Bay area and the Sacramento metropolitan area. It is approximately 127 road miles north of San Francisco, 126 road miles west of Sacramento, and 80 road miles east of the Pacific Coast. Lake County is bordered by the counties of Napa, Sonoma, Mendocino, Glenn, Colusa and Yolo and covers an area of approximately 803,840 acres.

#### COUNTY POPULATION LAST TEN FISCAL YEARS



The State Department of Finance estimated Lake County's population as of January 1, 2015, to be 64,699. The population for the two cities in Lake County, Clearlake and Lakeport as of January 1, 2015, was estimated to be 15,194 and 4,807 respectively.

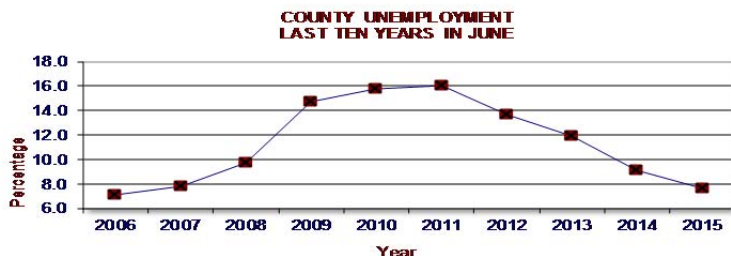
## Economic Condition and Outlook

Lake County's economy has historically been based on agriculture and tourism, both of which continue to be an integral part of our community and important contributors to the County's tax base. The collection of transient occupancy taxes has decreased significantly beginning in fiscal year 2008/2009. In fiscal year 2014/2015 collections were about 10.3% less than the amount collected in the previous fiscal year. The amount received in fiscal year 2014/2015 was 63% of the amount collected in fiscal year 2007/2008.

Another declining revenue source the past several years has been construction permits. After declining by about 30% annually each year from fiscal year 2006/2007 to 2009/2010 and an additional 7% in fiscal year 2010/2011, permit began to show modest recovery. In fiscal year 2012/2013 construction permit revenue increased by 5% and in fiscal year 2013/2014 there was an additional 19% increase. Fiscal year 2014/2015 has shown an increase of 12%.

As of the lien date of January 1, 2015, the value of taxable properties on the County's property tax roll was slightly more than the prior year, precisely 0.93%. The real estate market in Lake County recovers a few years after the market in Sonoma County, which has recovered from the recession. Therefore, County staff is cautiously optimistic that the real estate market in Lake County will continue to see an upward trend in the coming years. One sign of a recovering economy in Lake County is that after declining the past few years, sales taxes increased in fiscal year 2012/2013 to 95% of the amount received in fiscal year 2008/2009. Sales tax collections appear to be stabilizing as the amount collected in fiscal year 2014/2015 was approximately 93% of the amount collected in fiscal year 2008/2009.

Since transient occupancy taxes, building permits, property taxes, and sales taxes are significant sources of locally generated County revenues County staff anticipates a continuing challenge to meet the demands for public services and maintain a structurally balanced budget until such revenues rebound to pre-recession levels.



As of June 2015, the County's unemployment rate was 6.7% and Lake County was ranked number 32 out of 58 counties. The statewide average at that same time was 6.2%. The County unemployment rate during June of the previous year was 9.1%, an indicator of a modestly improving unemployment rate in the County, yet still below the statewide average.

The County operates an aggressive marketing and economic development program, with a goal of expanding and diversifying the local tax base. The development of a rural, satellite campus by Marymount California University, a private, four year college based in Palos Verdes, California, in Lake County will hopefully further improve and expand the local economy.

The State mandated dissolution of redevelopment agencies of the County of Lake, City of Lakeport, and City of Clearlake has redirected tax increment monies formerly provided to the redevelopment agencies, back to the entities receiving property tax allocations in those former redevelopment areas. Those entities include local school and fire districts and the County in the form of discretionary revenue. The County general fund has had to rely on the property tax increment formerly received by the County's former redevelopment agency to maintain essential public services.

Lake County continues a proven track record of balancing its annual budgets, even during the most difficult times. State imposed revenue reductions and unfunded mandates continued to present challenges to local governments throughout California and Lake County was no exception to that rule. Furthermore, Lake County has not recovered from the recession. The difference for the County in weathering difficult times is the County's continual effort for the general fund to remain debt free, maintain healthy fund balances, and ensure a structurally balanced budget and avoiding the use of one-time funds to finance ongoing operational costs.

County department heads, both elected and appointed, work cooperatively and successfully with the County Administrative Officer and Board of Supervisors on budget and fiscal matters. County leaders are continually seeking opportunities for improving efficiencies within our organization.

## **County Budget Overview**

The County's annual budget is prepared with the following objectives in mind:

- ✓ Develop a responsible, sustainable budget that will enable the County to maintain its fiscal solvency during both the short-term and over the long-term.
- ✓ Minimize and/or completely avoid any negative impacts on service levels provided to the public; improve services when possible.
- ✓ Preserve the County's general reserve and, if possible, increase reserves and assigned/obligated fund balance set asides to help prepare for the County's future budgetary needs.
- ✓ Avoid negatively impacting the County's employees and local economy by not imposing a large number of layoffs, work furloughs or other forms of compensation reductions in order to balance the budget.

Balancing these competing objectives is becoming more difficult as revenues decline and the demand for services increases. The budget for fiscal year 2014/15 achieved the above objectives even though a few special revenue funds required transfers of one time money from the general fund to maintain service levels. Other than these transfers, the County continues to use one-time general fund revenues for one-time purposes. This has enabled reserves and/or assigned/obligated fund balances to be increased and the financing of several special projects.

Although department heads and staff needed to continue to closely monitor and control their expenditures, the County's budget in fiscal year 2014/2015 provided adequate appropriations to maintain service levels and enabled progress to continue to be made in many special programs and capital projects. The County has not been required to impose massive layoffs, employee furloughs, and reductions in employee compensation or elimination of high priority services to the public. The County lives within its financial means and does not borrow money from outside sources to cover general fund operating expenses. The County also has not needed to issue tax revenue anticipation notes for interim financing purposes.

## **Major Accomplishments and Goals**

During the fiscal year ending June 30, 2015, County departments accomplished many objectives and continued progress in many areas while successfully performing their day-to-day responsibilities and duties. Examples include the following:

- ✓ Began designing a water system to serve the commercial and industrial corridor along South Main Street and Soda Bay Road in the unincorporated area south of the City of Lakeport.
- ✓ Initiated the proceedings to start a Community Choice Aggregation program in an effort to save residents and businesses money on their electricity bills.
- ✓ Began designing a \$20 million expansion of the Hill Road Jail funded with a grant from the California Board of State and Community Corrections.

*Future goals for fiscal year 2015/2016 include:*

- Complete renovations of the Gard Street School to use as offices for the Child Support Services Department.
- Complete park projects throughout the County, including the Middletown Square Plaza, and Hammond Park and Kelseyville Skate Park.
- Continue extensive planning and engineering required to construct curb, gutter and sidewalks along Highway 20 in Clearlake Oaks to improve pedestrian safety, especially that of school children.
- Adopt an updated Zoning Ordinance.
- Close the Juvenile Home and enter into a contract with Mendocino County to house juvenile detainees from Lake County.
- Sell the Holiday Harbor property.

## **Financial Information and Condition**

The management of the County of Lake is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal control structure is designed to provide reasonable, but not absolute, assurance these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived. This evaluation of cost to benefit requires estimates and judgements by management.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments*. Information related to this single audit, including the schedule of federal financial assistance, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations are included in the single audit report, which is issued as a separate document.

The accounting methods and procedures adopted by the County of Lake conform to generally accepted accounting principles as applied to governmental entities. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable under the criteria set by Governmental Accounting Standards Board (GASB) Statement No. 14.

The County maintains budgetary controls to ensure compliance with the legal provisions contained in the annual appropriated budget approved by the County Board of Supervisors under the provision of Sections 29080-29093 of the Government Code. Those provisions set timelines and requirements for establishing a county budget each fiscal year. The County of Lake Board of Supervisors, in conjunction with the Auditor-Controller, efficiently and responsibly adheres to those provisions.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units, although legally separate entities, are in substance, part of the government's operations. Blended component units are an extension of the County and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County. Each component unit has a June 30<sup>th</sup> year-end.

### ***Blended Component Units***

Entities included in the County's reporting entity as component units because of their operational and financial relationship with the County and because the Lake County Board of Supervisors also serves as their governing board are the Air Quality District, the Watershed Protection District, the County Service Areas, the Lighting Districts, the Sanitation Districts, the Lake County Housing Commission, the Lake County Redevelopment Agency Successor Agency, and the Lake County Public Financing Authority.

### ***Discretely Presented Component Units***

The County of Lake has no component units which meet the criteria for discrete presentation.

## **Cash Management**

The County's investment policy is to minimize credit and market risks while maintaining liquidity and a competitive yield on its portfolio. Cash is pooled for the purpose of increasing interest through investment activities. The County's Treasury Oversight Committee was disbanded by the Board of Supervisor's in 2010 in favor of an Annual Treasury Meeting held each February. The Annual Treasury Meeting, external audits and quarterly reports to the Board of Supervisor's, Auditor-Controller and Administrative Officer exist to provide a level of assurance over the investment activities of the County Treasury.

## **Debt Administration**

The County has \$24,077,149 of direct debt outstanding as of June 30, 2015. This includes general obligation and special assessment bonds with County commitment, revenue bonds, loans, certificates of participation, closure/post closure liability, and compensated absences. Activities related to existing long-term debt can be found in the Notes to the Basic Financial Statements, Note 4.



## Risk Management

The County has a Risk Management program operated through the County Counsel's Office that handles administration of its Risk Management Funds (Internal Service Funds). These funds are retained to finance insured and uninsured risks of loss. The County's uninsured risk of loss for public liability claims is \$10,000 per occurrence; the County is fully insured for workers' compensation losses; and the County is fully self-insured for all unemployment claims. The County is a member of the County Supervisors Association of California Excess Insurance Authority, a public entity risk pool currently operating as a common risk management and insurance program for counties. The County pays an annual premium to the Authority for insurance coverage. All funds within the County participate in the program and make payments to the Risk Management Fund based on actuarial estimates of prior and current claims with an allowance for establishing reserves.

## Other Information

California Government Code requires an annual audit of the books of accounts, financial records, and transactions of all offices of the County by independent certified public accountants. The County Audit Committee selected Gallina, LLP, Certified Public Accountants to perform this requirement for fiscal year ending June 30, 2015. The audit was designed to meet the requirements of the Single Audit Act and related U.S. Office of Management and Budget's Circular A-133, in addition to requirements set forth by state statutes. The independent auditor's report on the general purpose financial statements and individual fund statements and schedules is included in the financial section of this report. The supplementary auditor report of internal control and compliance with applicable laws and regulations is issued separately.

As required of a government of our size, this report has been prepared in conformity with Governmental Accounting Standards Board Statement 34. As mentioned previously, this letter of transmittal should be used as a supplement to the Management Discussion and Analysis (MD&A) which can be found preceding the basic financial statements contained within.



Government Finance Officers Association

### Certificate of Achievement for Excellence in Financial Reporting

Presented to

**County of Lake  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

  
Executive Director/CEO

## Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lake County for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2015. This is the eleventh year the County has received this recognition. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of Comprehensive Annual Financial Statements is possible only through the effort and determination of those involved in the preparation. The staff in the Auditor-Controller's Office, with the support of the County Administrative Office was dedicated to completing this document efficiently and with the highest standard of excellence and transparency. We would like to also thank those departments involved

in the preparation of this document, as well as our external auditors, Gallina LLP for their assistance in helping us to produce a quality document.

As always, we applaud the County Board of Supervisors for their continued efforts to maintain the fiscal health of Lake County, while striving to address the issues important to the citizens of Lake County.

Respectfully submitted,

A handwritten signature in cursive script, reading "Cathy Saderlund", written over a horizontal line.

Cathy Saderlund  
Auditor-Controller

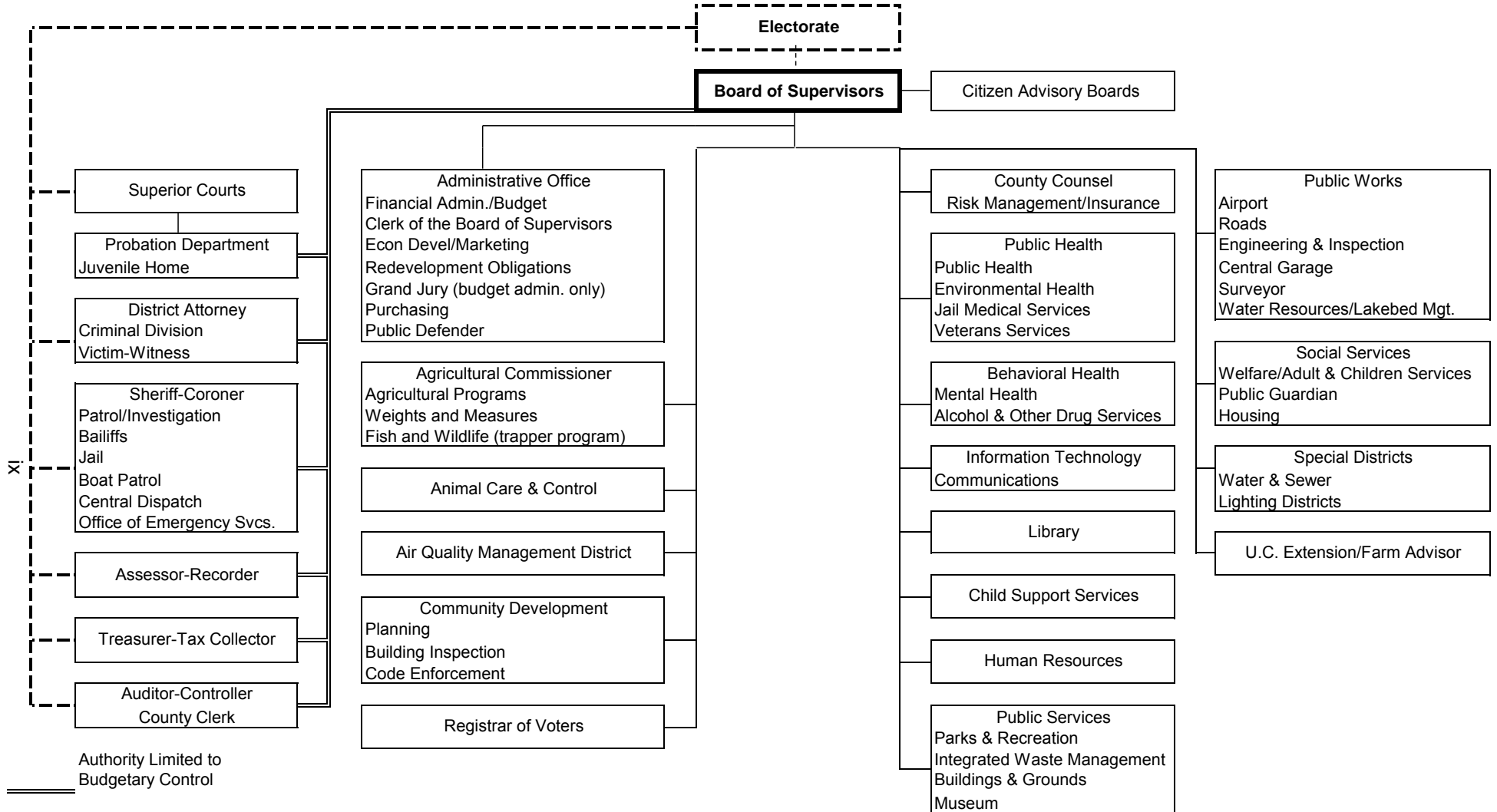
A handwritten signature in cursive script, reading "Matt Perry", written over a horizontal line.

Matt Perry  
County Administrative Officer

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**COUNTY OF LAKE**  
**ORGANIZATIONAL CHART**  
As of December 2015



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## INDEPENDENT AUDITOR'S REPORT

Board of Supervisors and Grand Jury  
County of Lake  
Lakeport, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Lake, California, (the County), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2015, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Emphasis of Matter*

#### *Implementation of New Accounting Standards*

As disclosed in Note 1 to the financial statements, the County of Lake adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement*

*Date – an amendment of GASB Statement No. 68, effective July 1, 2014. Our opinion is not modified with respect to this matter.*

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of change in the net pension liability and related ratios and schedule of contributions, schedule of funding progress – other post-employment benefits, and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Lake's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 3, 2016 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Roseville, California  
March 3, 2016

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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## **County of Lake**

### **Management's Discussion and Analysis**

As management of the County of Lake, California, (County) we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information in our financial statements.

#### **Financial Highlights**

##### **New Significant Accounting Standards Implemented**

In fiscal year 2014-15, the County adopted two new statements of financial accounting standards issued by the Governmental Accounting Standards Board (GASB) that relate to pension activity:

- Statement No. 68, *"Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27,"* and
- Statement No. 71, *"Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB State No. 68"*

Statement No. 68 (Statement) establishes standards of accounting and financial reporting, but not funding or budgetary standards, for the County's defined benefit pension plans. This Statement replaces the requirements of prior GASB statements impacting accounting and disclosure of pensions.

The significant impact of the County of implementing Statement No. 68 is the reporting of the County's unfunded pension liability on the County's full accrual basis of accounting government wide financial statements. There are also new note disclosure requirements and supplementary schedules required by the Statement.

The measurement date for the pension liabilities is as of June 30, 2014. This date reflects a one year lag and was used so that these financial statements could be issued in an expedient manner. Activity (i.e., contributions made by the County) occurring during fiscal year 2014-15 are reported as deferred outflows of resources in accordance with Statement No. 71.

In order to implement the Statement, a prior period adjustment was made to the County's July 1, 2014 net position. This prior Period adjustment decreased the County's net position by \$59,872,087 from \$227,325,686 to \$167,453,599 and reflects reporting of: 1) net pension liabilities of \$65,133,592, and 2) deferred outflows of resources of \$5,261,505. Please refer to Note 9 for more information regarding the County's pensions.

##### **Government Wide**

The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows at the close of fiscal year June 30, 2015 by \$176,376,123 (*total net position*):

- \$146,642,037 is net investment in capital assets.
- \$ 59,947,580 is restricted for specific purposes (*restricted*)
- -\$30,213,494 in unrestricted will be used to meet the government's ongoing obligations to citizens and creditors.

The County's total net position decreased by \$50,949,563:

- This total net position decrease is comprised of a \$53,567,575 decrease in unrestricted as a result of the County's unfunded pension and Other Postemployment Benefits (OPEB) obligations, \$1,173,001 increase in restricted and a \$1,445,011 increase in capital assets net of related debt.
- Revenues exceeded Expenses by \$8,922,524.

As of June 30, 2015, the County's governmental funds reported combined fund balances of \$92,709,123, an increase of \$6,493,507. Approximately 28% of the combined fund balances, \$25,907,361, is available to meet the County's current and future needs (committed, assigned, and unassigned)

- At the end of the current fiscal year, the assigned/unassigned fund balance for the general fund was \$21,995,948, or 51% of total general fund expenditures. The entire \$21,995,948 has been designated for specific purposes per the County Board of Supervisors and is intended for those purposes only

## Overview of the Financial Statements

Management's Discussion and Analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements.

**Government-wide financial statements** The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private sector business.

The *statement of net position* presents information on all the County's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in a future fiscal period (e.g. long-term notes loans and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include the General Fund, Road, Airport, Community Development, Fish and Game, Housing and CDBG Programs, Criminal Justice and Sheriff Programs, Animal Control, Behavioral Health, Health Programs, Park Programs, and Social Services. The business-type activities of the County are Solid Waste Management.

Component units are included in the basic financial statements and consist of legally separate entities for which the County is financially accountable and that have substantially the same governing board as the County. Component units for the County include the Air Quality District, the Lake County Housing Commission, the Watershed Protection Districts, the County Service Areas, the Lighting Districts, Lake County Redevelopment Successor Agency, and the Sanitation Districts. A separate financial statement is prepared for the Lake County Housing Authority and the financial statements of which can be obtained by writing to the Auditor-Controller's Office, 255 North Forbes Street, Lakeport, CA 95453.

The government-wide financial statements can be found on pages 17 – 19 of this report.

**Fund financial statements** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide reconciliation to the government-wide financial statement in order to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains governmental funds organized according to their type—special revenue, debt service and capital projects. The County segregates from the General Fund a number of significant functions in major funds.

Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Housing Programs, Mental Health Programs, Social Services and County Redevelopment Agency, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non major governmental funds is provided in the form of *combining statements* located in the *Combining and Individual Fund Statements and Schedules* section of this report.

The County adopts an annual appropriated budget for all of its operating funds. A budgetary comparison schedule has been provided for the General Fund and major special revenue funds to demonstrate performance against this budget.

The governmental funds financial statements can be found on pages 24 – 30 of this report.

**Proprietary funds.** The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses an enterprise fund to account for Solid Waste Management. *Internal service* funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for Unemployment Insurance, Public Liability Insurance, Workers' Compensation Insurance, Employee Health/Wellness, Heavy Equipment Rental, Fleet Maintenance, and Central Garage. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Solid Waste Management, which is considered to be a major fund of the County. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the non major internal service funds is provided in the form of *combining statements* elsewhere in this report.

The proprietary funds financial statements can be found on pages 31 – 34 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary funds financial statements can be found on pages 35 – 36 of this report.

**Notes to the basic financial statements.** The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the basic financial statements can be found on pages 39 – 72 of this report.

**Required Supplementary Information.** The Required Supplementary Information follows the Notes to the basic financial statements and contains budgetary comparison schedules for the General Fund by function along with major special revenue funds. Further information relative to this information is contained in the notes to required supplementary information.

The required supplementary information can be found on pages 75 – 84 of this report.

**Supplementary Section.** The Supplementary section contains the combining and individual fund statements and schedules for all non major funds.

The supplementary section can be found on pages 91 – 162 of this report.

**Statistical Section.** The Statistical section contains statistical information as required of GASB Statement No. 44, Economic Condition Reporting. The focus of the Statistical section is the primary government.

The statistical section can be found on pages 165 – 197 of this report.

## Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows exceeded liabilities and deferred inflows by \$176,376,123 the close of the most recent fiscal year.

County of Lake Summary of Net Position as of June 30							
	Governmental Activities		Business-Type Activities		Total		Total
	2014	2015	2014	2015	2014	2015	Dollar Change Percent Change
<b>Assets:</b>							
Current and other assets	\$ 104,426,890	\$ 109,510,902	\$ 7,072,907	\$ 7,742,440	\$ 111,499,797	\$ 117,253,342	\$ 5,753,545 5%
Capital assets	156,457,649	156,230,303	5,461,380	5,476,880	161,919,029	161,707,183	(211,846) 0%
Total assets	260,884,539	265,741,205	12,534,287	13,219,320	273,418,826	278,960,525	5,541,699 2%
<b>Deferred outflows of resources:</b>							
Deferred pensions	-	6,894,371	-	94,666	-	6,989,037	6,989,037 100%
<b>Liabilities:</b>							
Current and other liabilities	14,029,211	13,423,040	116,577	138,641	14,145,788	13,561,681	(584,107) -4%
Long-term liabilities	26,299,763	73,766,838	5,647,589	6,580,315	31,947,352	80,347,153	48,399,801 151%
Total liabilities	40,328,974	87,189,878	5,764,166	6,718,956	46,093,140	93,908,834	47,815,694 104%
<b>Deferred inflows of resources:</b>							
Deferred pensions	-	15,452,429	-	212,176	-	15,664,605	15,664,605 100%
<b>Net Position:</b>							
Net investment in capital assets	139,735,646	141,165,157	5,461,380	5,476,880	145,197,026	146,642,037	1,445,011 1%
Restricted	58,774,579	59,947,580	-	-	58,774,579	59,947,580	1,173,001 2%
Unrestricted	22,045,340	(31,119,468)	1,308,741	905,974	23,354,081	(30,213,494)	(53,567,575) -229%
Total net position	\$ 220,555,565	\$ 169,993,269	\$ 6,770,121	\$ 6,382,854	\$ 227,325,686	\$ 176,376,123	\$ (50,949,563) -22%

## Analysis of Net Position

The largest portion of the County's net position \$146,642,037 or 83%, is its investment in capital assets (e.g. land, building, improvements, equipment, park facilities and infrastructure—roads, bridges, water and sewer systems), which is shown less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens. These assets are *not* available for future spending.

Restricted net position of \$59,947,580 represents resources that are subject to external restrictions on how they may be used by enabling legislation. The remaining -\$30,213,494, unrestricted net position, is a decrease of 230% from the prior year and is the change in resources available to fund County programs to citizens and debt obligations to creditors. The majority of the positive unrestricted net position resides in the County's General Fund and the negative unrestricted net position is the result of the County's unfunded pension and OPEB obligations.

County of Lake Changes in Net Position as of June 30							
	Governmental Activities		Business-Type Activities		Total		Total
	2014	2015	2014	2015	2014	2015	Dollar Change Percent Change
<b>Revenues</b>							
<b>Program Revenues:</b>							
Charges for Services	\$ 30,028,995	\$ 27,396,165	\$ 2,611,102	\$ 2,851,946	\$ 32,640,097	\$ 30,248,111	\$ (2,391,986) -7%
Operating grants and contributions	77,383,334	79,675,548	24,500	79,082	77,407,834	79,754,630	2,346,796 3%
Capital grants and contributions	1,013,855	2,117,077	-	-	1,013,855	2,117,077	1,103,222 109%
Total program revenues	108,426,184	109,188,790	2,635,602	2,931,028	111,061,786	112,119,818	1,058,032 1%
<b>General Revenues:</b>							
Property taxes	26,108,493	25,897,761	-	-	26,108,493	25,897,761	(210,732) -1%
Sales and use taxes	2,711,513	2,658,395	-	-	2,711,513	2,658,395	(53,118) -2%
Transient occupancy taxes	660,370	592,113	-	-	660,370	592,113	(68,257) -10%
Property transfer taxes	279,410	289,069	-	-	279,410	289,069	9,659 3%
Franchise taxes	641,074	658,846	42,734	-	683,808	658,846	(24,962) -4%
Aircraft taxes	15,315	15,431	-	-	15,315	15,431	116 1%
Timber yield taxes	1,882	3,598	-	-	1,882	3,598	1,716 91%
Interest and investment earnings	800,784	723,283	41,992	32,489	842,776	755,772	(87,004) -10%
Transfers	-	-	-	-	-	-	-
Miscellaneous	6,909	14,672	-	1,141	6,909	15,813	8,904 129%
Total general revenues	31,225,750	30,853,168	84,726	33,630	31,310,476	30,886,798	(423,678) -1%
Total revenues	139,651,934	140,041,958	2,720,328	2,964,658	142,372,262	143,006,616	634,354 0%
<b>Expenses</b>							
<b>General government</b>	11,881,773	10,799,649	-	-	11,881,773	10,799,649	(1,082,124) -9%
Public protection	37,962,106	37,276,431	-	-	37,962,106	37,276,431	(685,675) -2%
Public ways and facilities	13,223,197	13,601,346	-	-	13,223,197	13,601,346	378,149 3%
Health and sanitation	24,652,711	25,795,685	-	-	24,652,711	25,795,685	1,142,974 5%
Public assistance	41,164,775	40,500,099	-	-	41,164,775	40,500,099	(664,676) -2%
Education	1,270,546	1,206,245	-	-	1,270,546	1,206,245	(64,301) -5%
Culture and recreation	1,660,156	1,783,520	-	-	1,660,156	1,783,520	123,364 7%
Solid Waste Management	-	-	2,375,976	2,540,963	2,375,976	2,540,963	164,987 7%
Interest on long-term debt	622,320	580,154	-	-	622,320	580,154	(42,166) -7%
Total expenses	132,437,584	131,543,129	2,375,976	2,540,963	134,813,560	134,084,092	(729,468) -1%
Change in net position before extraordinary item	7,214,350	8,498,829	344,352	423,695	7,558,702	8,922,524	1,363,822 18%
Extraordinary item	-	-	-	-	-	-	-
Change in net position	7,214,350	8,498,829	344,352	423,695	7,558,702	8,922,524	1,363,822 18%
Net position - July 1	213,341,215	220,555,565	6,425,769	6,770,121	219,766,984	227,325,686	7,558,702 3%
Prior period adjustment	-	(59,061,125)	-	(810,962)	-	(59,872,087)	(59,872,087) 0%
Net position - July 1, restated	213,341,215	161,494,440	6,425,769	5,959,159	219,766,984	167,453,599	(52,313,385) 0%
Net position - June 30	\$ 220,555,565	\$ 169,993,269	\$ 6,770,121	\$ 6,382,854	\$ 227,325,686	\$ 176,376,123	\$ (50,949,563) -22%

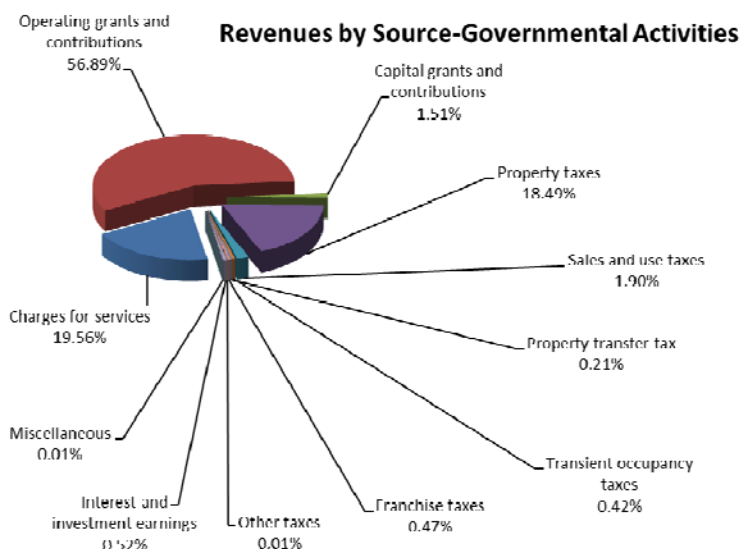
As listed in Financial Highlights, the County's net position decreased by \$50,949,563 during the June 30, 2015 fiscal year, as a result of the County's unfunded pension and OPEB obligations.

**Governmental activities.** Governmental activities decreased the County's net position by \$50,562,296 to \$169,993,269, accounting for 99% of the County's total decrease in net position. Governmental activities operating revenues exceeded operating expenditures by \$8,498,829. The prior period adjustment of \$59,061,125 is solely due to the County's unfunded pension and OPEB obligations.

**Revenues.** The total revenue increase of \$390,024, or less than 1%, to \$140,041,958. Revenues are divided into two categories: Program Revenues and General Revenues.

**Program Revenues** had an overall increase of \$762,606, or slightly less than 1%, to \$109,188,790 from the prior year. As an arm of the State government, a significant portion of charges for services and operating grants and contributions are tied to mandated services such as public assistance, health and behavioral health services. Total program revenues represent 78% of the County's funding for governmental activities.

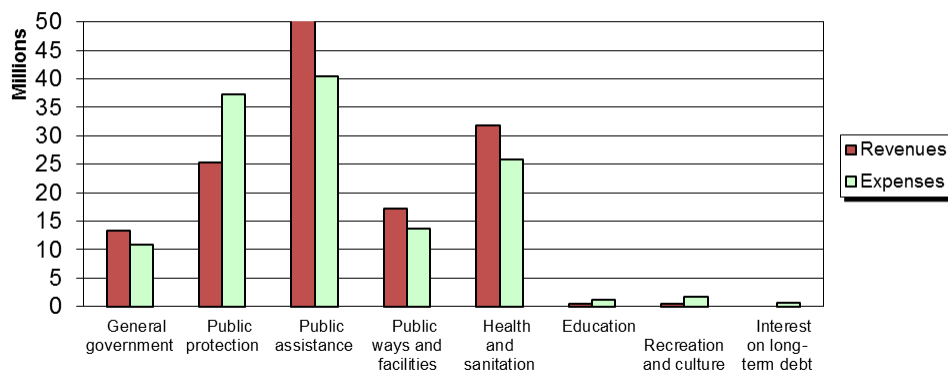
*Charges for services* decreased by \$2,632,830, or 9%, to \$27,396,165 primarily due to decreased funding for public ways and facilities, and public assistance due in part to completion of road projects such as Chippewa Trail that provided \$709,216 in funding the previous fiscal year and the reduction of IHSS reimbursements in the amount of \$1,290,030 as a result of the State paying directly for IHSS health benefits rather than reimbursement to the County for doing so. *Operating grants and contributions* (intergovernmental revenues) increased by \$2,292,214 or 2.9%, to \$79,675,548 primarily due to decreasing revenues in public ways and facilities and increasing revenues in health and sanitation and public assistance in the form of Federal and State public works projects completed in the previous fiscal year and increases in Mental Health and Corrections funding provided by AB 109. *Capital grants and contributions* (intergovernmental revenues) increased \$1,103,222, or 100%, to \$2,117,077 due to increased funding for road construction projects primarily for bridge projects throughout the County. **General revenues** had an overall decrease of \$372,582, or 1.12%. These revenues included general taxes which provided the Board of Supervisors with the most discretionary spending ability. The total decrease is minimal and is most notable in transient occupancy taxes as decrease of \$68,257, or 10% and interest and investment earnings decrease of \$77,501, or 10%. Property tax and sales tax decreases were \$210,732 and \$53,188, or 1% and 2% respectively. Increases were experienced in property transfer taxes at \$9,659, or 3%; franchise taxes at \$17,772, or 3%; aircraft taxes at \$116, or 1%, timber tax at \$1,716, or 91%; and miscellaneous at \$7,763, or 112%.



**Expenses.** Expenses decreased by \$894,455, or 1%, to \$131,543,129 over the prior year. As a service delivery

entity, the County's major cost component is salaries and benefits, amounting to 49% of the total County expenses. The County's average full-time equivalent (FTE) count for the County (including business-type activities) had a net increase of 17 FTEs from 947 in the prior year to 965 at June 30, 2015. The change in FTE was primary in the Department of Social Services where the funding is provided through State and Federal sources. Salary and benefit expenditures increased by 6%

**Expenses and Program Revenues-Governmental Activities**

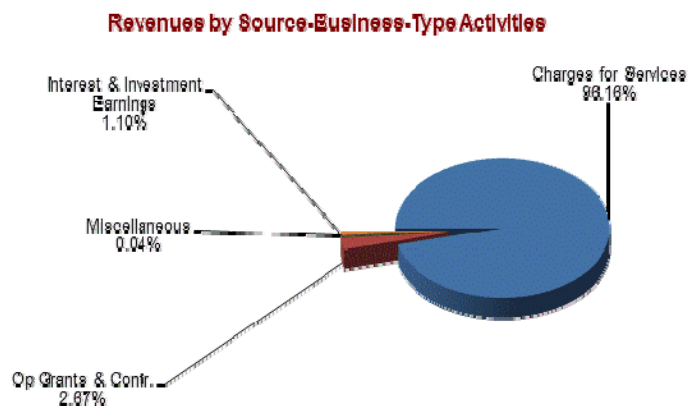




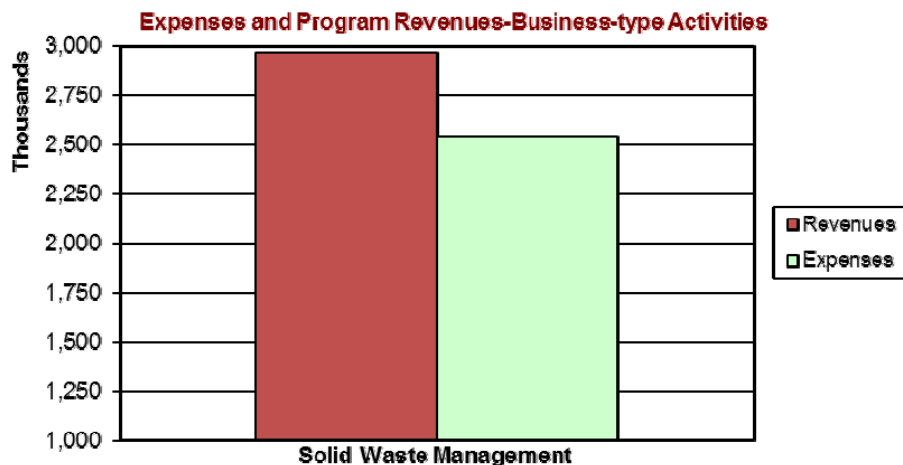
overall, with a corresponding 6% decrease in services and supplies. The overall \$894,455, 1%, decrease was balanced throughout governmental activities within general government at \$1,021,840, or 9%; public protection at \$745,959, or 2%; public assistance at \$664,676, or 2%; education at \$64,301, or 5% and interest on long-term debt at \$42,166, or 7%. Increases in expenditures were seen in public ways and facilities at \$378,149, or 3%; health and sanitation at \$1,142,974, or 5% and culture and recreation at \$123,364, or 7%.

**Business-type activities.** Business-type activities decreased the County's net business-type position by \$387,267. Business-type activity operating revenues exceeded operating expenditures by \$423,695. The prior period adjustment of -\$810,962 is solely due to unfunded pension and OPEB obligations.

**Revenues.** Total program revenues increased by \$295,426, or 11%, to \$2,931,028 and total general revenues decreased by \$51,096, or 60%, to \$33,630. This consists of an increase in charges for services of \$240,844, or 9%, primarily the result of increases in tipping fees at the County landfill; operating grants and contributions of \$54,582, or 300%, primarily the result of a paint disposal grant, and miscellaneous revenue of \$1,141, or 100%. Decreases were in interest and investment earnings of \$9,503, or 23% as a result of the sluggish investment economy.



#### Solid Waste Management



**Expenses.** Total expenses increased by \$164,987, or 7%, to \$2,540,963 from the previous fiscal year. Salaries and benefits comprise 44% of total expenses. Salaries and benefits increased by \$20,196, or 2%, from the prior year. Service and supplies increased by \$72,388, or 8%, from the prior year. Revenues exceeded expenses by \$423,695 over the previous year.

#### Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to demonstrate compliance with finance-related legal requirements.

**Governmental funds** The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As listed in the *Financial Highlights*, at June 30, 2015 the County's governmental funds reported combined ending fund balances of \$92,709,123 an increase of \$6,493,507 in comparison with the prior year. Approximately 28% of the combined fund balance, \$25,907,361 constitutes assigned and unassigned fund balance, which is available to meet the County's current and future needs. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has been committed to the following:

- Nonspendable, advances receivable and inventory - \$6,854,182
- Restricted, external constraints (grants, laws) - \$59,947,580

The increase in fund balances for the County's governmental funds reflects a combination of the County's continued prudent spending practices, as well as greater than anticipated revenues.

The General Fund is the primary operating fund of the County. At June 30, 2015, assigned fund balance of the General Fund was \$9,512,076 while total fund balance was \$30,748,844. The \$9,512,076 assigned fund balance is designated by the governing body for special projects; \$12,483,872 is unassigned for subsequent year needs, while \$6,718,908 in nonspendable fund balance constitutes advances and inventory. The general fund contains a restricted or committed fund balance of \$2,033,988 held for other post employment pension liabilities. The Board remains committed to utilizing one time funding sources for one time projects. As a measure of the general fund's liquidity, it may be useful to compare both assigned fund balance and total fund balance to total fund expenditures. Assigned fund balance represents 22% of total general fund expenditures, while total fund balance represents 71% of that same amount. The general fund balance decreased by \$236,336 during the fiscal year.

Other major funds include the Housing Programs and Social Services. The Housing Programs and Social Services had total fund balances of \$5,739,419 and \$5,973,445 respectively; an increase in fund balance of \$7,945 and \$1,319,542 respectively.

**Proprietary funds** The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The net position of the enterprise fund decreased from \$6,770,121 to \$6,382,854, a 5.7% decrease from the previous fiscal year. The net position of the internal services funds decreased from \$3,395,632 to \$3,163,045, a 6.9% decrease from the previous fiscal year.

### **General Fund Budgetary Highlights**

The differences between the original budget and the final amended budget revenues were an increase of \$319,875. This represents a less than 1% overall increase in revenue adjustments. The differences between the original budget and the final amended budget appropriations were an increase of \$1,198,306. This increase is 2% when compared to the overall budget.

Appropriation adjustments made during the fiscal year for all functions is summarized below:

- General government – net increase of \$36,881. Increases made to adjust for realized revenue. This is a negligible decrease compared to total category budget.
- Public Protection – net increase of \$671,153. Increases made to adjust for realized revenue. This is also a negligible increase compared to total category budget.
- Public Assistance – net decrease of \$4,435 for veteran services activity.
- Education – net increase of \$5,230 for U.C. Cooperative Extension activity.
- Recreation and Culture – net increase of \$142,576 in the Museum and the Parks and Recreation departments of \$3,716 and \$138,860 respectively.
- Total Capital Outlay – net increase of \$346,901. Increases spread throughout several different departments.

During the year, actual revenues were \$1,971,739 more than revenue estimates. During the year, actual expenditures were less than budgetary estimates by \$10,817,982. The net effect of under-realization of revenues and under-utilization of appropriations resulted in a positive variance of \$12,789,721 prior to consideration of interfund transfers. This variance is due to the management's conservative approach to revenue estimates and fiscally responsible spending practices.

Specific categories and their associated variances can be found in the Required Supplementary Information section of this report, pages 77 – 84.

### **Capital assets**

The County's investment in capital assets for its governmental and business type activities as of June 20, 2015 was \$161,707,183 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, equipment, park facilities and infrastructure (roads, bridges, water and sewer systems). The total decrease in the County's investment in capital assets for the current fiscal year of \$212,146 and represented an increase in land, buildings and improvements, equipment and infrastructure construction in progress and equipment; with an offsetting decrease in construction in progress.

County of Lake Capital Assets as of June 30 (Net of Depreciation)								
	Governmental Activities		Business-Type Activities		Total		Total	
	2014	2015	2014	2015	2014	2015	Dollar Change	Percent Change
Land	\$ 23,153,046	\$ 23,688,365	\$ 742,356	\$ 742,356	\$ 23,895,402	\$ 24,430,721	\$ 535,319	2%
Construction in progress	21,559,056	11,748,184	1,224,570	-	22,783,626	11,748,184	(11,035,442)	-48%
Buildings and improvements	41,751,177	45,417,699	948,759	1,035,424	42,699,936	46,453,123	3,753,187	9%
Equipment	6,151,692	7,051,965	614,470	474,542	6,766,162	7,526,507	760,345	11%
Infrastructure	63,842,978	68,324,090	1,931,225	3,224,558	65,774,203	71,548,648	5,774,445	9%
Net assets - June 30	\$ 156,457,949	\$ 156,230,303	\$ 5,461,380	\$ 5,476,880	\$ 161,919,329	\$ 161,707,183	\$ (212,146)	0%

Detailed information on the County's capital assets can be found in the Notes to the Financial Statements, Note 3 pages 54-55.

### Long-Term Liabilities

As of June 30, 2015, the County had total long-term obligations outstanding of \$24,077,149. The largest obligations were Loans Payable of \$7,994,150 for water and wastewater projects, followed by Closure/Post Closure for Solid Waste of \$5,549,364, revenue bonds of \$4,325,000, compensated absences of \$3,286,236, and Kelseyville/Finley Water Project Certificates of Participation of \$2,496,996. The remaining includes special assessment bonds, \$249,000, and Solid Waste corrective action of \$176,403.

During the fiscal year, the County's total long-term liabilities increased by \$256,089. This change was primarily the result of increases in closure/post closure and corrective action.

The majority of County long-term liabilities consist of loans payable, certificates of participations and revenue bonds that are paid for by dedicated revenue sources, bonds and special assessments for those within the areas of service.

Detailed information on the County's long-term debt can be found in the Notes to the Financial Statements, Note 4 page 56-59

### Requests for Information

This financial report is designed to provide a general overview of the County's finances for all interested parties. Questions concerning the information contained within this report or requests for additional information should be addressed to the County of Lake, Auditor-Controller, 255 North Forbes Street, Lakeport, CA 95453. This report, as well as various other financial reports, and the County of Lake Budget, is also available via the internet at: [http://www.co.lake.ca.us/Government/Directory/AuditorController/Financial\\_Reporting.htm](http://www.co.lake.ca.us/Government/Directory/AuditorController/Financial_Reporting.htm).



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**BASIC FINANCIAL STATEMENTS**  
**Government Wide Financial Statements**

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# COUNTY OF LAKE

## Statement of Net Position June 30, 2015

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Totals
<b>Assets:</b>			
Cash and investments	\$ 90,260,342	\$ 1,969,986	\$ 92,230,328
Restricted cash	1,789,371	5,315,469	7,104,840
Imprest cash	9,715	500	10,215
Cash with fiscal agent	320,920	--	320,920
Accounts receivable	3,230,266	450,761	3,681,027
Due from other governments	6,506,207	--	6,506,207
Taxes receivable	316,689	--	316,689
Interest receivable	39,868	5,724	45,592
Inventories	152,414	--	152,414
Loans receivable	6,885,110	--	6,885,110
Capital assets:			
Nondepreciable	35,436,549	742,356	36,178,905
Depreciable, net	120,793,754	4,734,524	125,528,278
<b>Total Assets</b>	<b>265,741,205</b>	<b>13,219,320</b>	<b>278,960,525</b>
<b>Deferred Outflows of Resources:</b>			
Deferred pension	6,894,371	94,666	6,989,037
<b>Liabilities:</b>			
Accounts payable	1,663,299	35,013	1,698,312
Accrued interest payable	134,035	--	134,035
Accrued salaries and benefits	6,341,439	103,628	6,445,067
Unearned revenue	4,487,694	--	4,487,694
Deposits and other liabilities	122,559	--	122,559
Estimated claims liability	674,014	--	674,014
Long-term liabilities			
Due within one year	1,957,446	6,112	1,963,558
Due in more than one year	16,327,905	5,785,686	22,113,591
Liability for post-employment benefits	6,857,152	120,862	6,978,014
Net pension liability	48,624,335	667,655	49,291,990
<b>Total Liabilities</b>	<b>87,189,878</b>	<b>6,718,956</b>	<b>93,908,834</b>
<b>Deferred Inflows of Resources:</b>			
Deferred pension	15,452,429	212,176	15,664,605
<b>Net Position:</b>			
Net investment in capital assets	141,165,157	5,476,880	146,642,037
Restricted for:			
Debt service	8,287,447	--	8,287,447
Capital projects	76,007	--	76,007
General government	2,033,988	--	2,033,988
Public protection	9,005,403	--	9,005,403
Public assistance	13,924,451	--	13,924,451
Health and sanitation	10,510,677	--	10,510,677
Public ways and facilities	15,601,800	--	15,601,800
Education	259,647	--	259,647
Recreation	248,160	--	248,160
Unrestricted	(31,119,468)	905,974	(30,213,494)
<b>Total Net Position</b>	<b>\$ 169,993,269</b>	<b>\$ 6,382,854</b>	<b>\$ 176,376,123</b>

The accompanying notes are an integral part of these financial statements.

# COUNTY OF LAKE

## Statement of Activities For the Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
Governmental Activities:				
General government	\$ 10,799,649	\$ 4,361,897	\$ 6,406,324	\$ --
Public protection	37,276,431	5,573,162	10,872,971	--
Public ways and facilities	13,601,346	7,368,399	4,520,095	2,117,077
Health and sanitation	25,795,685	8,535,190	17,192,088	--
Public assistance	40,500,099	1,481,046	40,520,769	--
Education	1,206,245	51,557	83,301	--
Culture and recreation	1,783,520	24,914	80,000	--
Interest on long-term debt	580,154	--	--	--
Total Governmental Activities	<u>131,543,129</u>	<u>27,396,165</u>	<u>79,675,548</u>	<u>2,117,077</u>
Business-Type Activities:				
Solid Waste Management	<u>2,540,963</u>	<u>2,851,946</u>	<u>79,082</u>	<u>--</u>
Total Business-Type Activities	<u>2,540,963</u>	<u>2,851,946</u>	<u>79,082</u>	<u>--</u>
<b>Total Primary Government</b>	<u>\$ 134,084,092</u>	<u>\$ 30,248,111</u>	<u>\$ 79,754,630</u>	<u>\$ 2,117,077</u>

### General Revenues:

#### Taxes:

Property taxes

Franchise taxes

Sales and use taxes

Transient occupancy taxes

Transfer taxes

Other taxes

Unrestricted interest and investment earnings

Miscellaneous

### Total General Revenues

### Change in Net Position

Net Position, Beginning of Year, Restated

Net Position, End of Year

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and  
Changes in Net Position

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (31,428)	\$ --	\$ (31,428)
(20,830,298)	--	(20,830,298)
404,225	--	404,225
(68,407)	--	(68,407)
1,501,716	--	1,501,716
(1,071,387)	--	(1,071,387)
(1,678,606)	--	(1,678,606)
(580,154)	--	(580,154)
<u>(22,354,339)</u>	<u>--</u>	<u>(22,354,339)</u>
--	390,065	390,065
<u>--</u>	<u>390,065</u>	<u>390,065</u>
(22,354,339)	390,065	(21,964,274)
25,897,761	--	25,897,761
658,846	--	658,846
2,658,395	--	2,658,395
592,113	--	592,113
289,069	--	289,069
19,029	--	19,029
723,283	32,489	755,772
14,672	1,141	15,813
<u>30,853,168</u>	<u>33,630</u>	<u>30,886,798</u>
8,498,829	423,695	8,922,524
161,494,440	5,959,159	167,453,599
<u>\$ 169,993,269</u>	<u>\$ 6,382,854</u>	<u>\$ 176,376,123</u>

The accompanying notes are an integral part of these financial statements.

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**BASIC FINANCIAL STATEMENTS**  
**Fund Financial Statements**

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# COUNTY OF LAKE

## Balance Sheet Governmental Funds June 30, 2015

	General	Housing Programs	Social Services
<b>Assets:</b>			
Cash and investments	\$26,617,069	\$ 457,188	\$5,870,163
Restricted cash	1,789,371	--	--
Imprest cash	7,205	--	800
Cash with fiscal agent	--	--	--
Accounts receivable	631,054	--	1,453,530
Due from other governments	--	--	1,012,178
Taxes and assessments receivable	316,689	--	--
Interest receivable	33,343	--	--
Advances to other funds	6,718,908	--	--
Inventories	--	--	--
Loans receivable	58,375	5,303,167	--
Total Assets	<u>\$36,172,014</u>	<u>\$5,760,355</u>	<u>\$8,336,671</u>
<b>Liabilities:</b>			
Accounts payable	\$ 398,477	\$ --	\$ 20,418
Accrued salaries and benefits payable	3,176,947	20,936	1,330,630
Deposits payable	--	--	--
Unearned revenues	1,847,746	--	--
Advances from other funds	--	--	--
Total Liabilities	<u>5,423,170</u>	<u>20,936</u>	<u>1,351,048</u>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenue	--	--	1,012,178
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>1,012,178</u>
<b>Fund Balances:</b>			
Nonspendable	6,718,908	--	--
Restricted	2,033,988	5,739,419	5,973,445
Assigned	9,512,076	--	--
Unassigned	12,483,872	--	--
Total Fund Balances	<u>30,748,844</u>	<u>5,739,419</u>	<u>5,973,445</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$36,172,014</u>	<u>\$5,760,355</u>	<u>\$8,336,671</u>

The accompanying notes are an integral part of these financial statements.

Health Programs	Other Governmental Funds	Total
\$ 2,337,508	\$ 52,028,793	\$ 87,310,721
--	--	1,789,371
275	1,435	9,715
--	320,920	320,920
23,224	1,122,458	3,230,266
252,891	4,590	1,269,659
--	--	316,689
--	6,525	39,868
--	368,782	7,087,690
--	135,274	135,274
--	1,523,568	6,885,110
<u>\$ 2,613,898</u>	<u>\$ 55,512,345</u>	<u>\$108,395,283</u>
\$ 14,968	\$ 1,213,249	\$ 1,647,112
294,817	1,484,664	6,307,994
--	122,559	122,559
1,709,557	930,391	4,487,694
--	1,851,142	1,851,142
<u>2,019,342</u>	<u>5,602,005</u>	<u>14,416,501</u>
<u>252,891</u>	<u>4,590</u>	<u>1,269,659</u>
<u>252,891</u>	<u>4,590</u>	<u>1,269,659</u>
--	135,274	6,854,182
341,665	45,859,063	59,947,580
--	3,911,413	13,423,489
--	--	12,483,872
<u>341,665</u>	<u>49,905,750</u>	<u>92,709,123</u>
<u>\$ 2,613,898</u>	<u>\$ 55,512,345</u>	<u>\$108,395,283</u>

The accompanying notes are an integral part of these financial statements.

## COUNTY OF LAKE

### Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position - Governmental Activities June 30, 2015

Fund Balance - total governmental funds	\$ 92,709,123
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	155,255,587
Deferred outflows of resources reported in the statement of net position	6,894,371
Some of the County's intergovernmental revenue will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore, are reported as unavailable revenue in the governmental funds. Due from other governments	1,269,659
Interest payable on long-term debt does not require the use of current financial resources and therefore is not accrued as a liability in the governmental funds	(134,035)
Deferred inflows of resources reported in the statement of net position	(15,452,429)
Long-term liabilities are not due and payable in the current period, and therefore are not reported in the governmental funds.	
Special assessment bonds with County commitment	(249,000)
Loans payable	(7,819,150)
Revenue bonds	(4,500,000)
Certificates of participation	(2,496,996)
Compensated absences	(3,195,197)
Net pension liability	(48,624,335)
Liability for post-employment benefits	(6,827,374)
Internal service funds are used by management to charge the cost of self-insurance risk management and management of fleet maintenance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position is:	<u>3,163,045</u>
Net position of governmental activities	<u><u>\$ 169,993,269</u></u>

The accompanying notes are an integral part of these financial statements.

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# COUNTY OF LAKE

## Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Year Ended June 30, 2015

	General	Housing Programs	Social Services
<b>Revenues:</b>			
Taxes	\$ 27,516,202	\$ --	\$ --
Licenses and permits	125,739	--	--
Fines, forfeitures and penalties	1,061,961	--	--
Use of money and property	504,179	1,533	--
Intergovernmental	11,610,467	242,075	38,788,015
Charges for services	4,083,047	17	555,046
Other revenues	805,280	5,280	15,638
<b>Total Revenues</b>	<u>45,706,875</u>	<u>248,905</u>	<u>39,358,699</u>
<b>Expenditures:</b>			
Current:			
General government	9,173,396	--	--
Public protection	31,162,985	--	--
Public ways and facilities	--	--	--
Health and sanitation	--	--	--
Public assistance	346,303	277,960	37,706,029
Education	194,166	--	--
Recreation and culture	1,622,494	--	--
Debt Service:			
Principal	--	--	--
Interest	--	--	--
Capital outlay	587,492	--	324,189
<b>Total Expenditures</b>	<u>43,086,836</u>	<u>277,960</u>	<u>38,030,218</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,620,039</u>	<u>(29,055)</u>	<u>1,328,481</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	1,084,165	37,000	21,945
Transfers out	(3,468,223)	--	(37,000)
Sale of capital assets	355	--	6,116
<b>Total Other Financing Sources (Uses)</b>	<u>(2,383,703)</u>	<u>37,000</u>	<u>(8,939)</u>
<b>Net Changes in Fund Balances</b>	236,336	7,945	1,319,542
<b>Fund Balances, Beginning of Year</b>	<u>30,512,508</u>	<u>5,731,474</u>	<u>4,653,903</u>
<b>Fund Balances, End of Year</b>	<u><u>\$ 30,748,844</u></u>	<u><u>\$ 5,739,419</u></u>	<u><u>\$ 5,973,445</u></u>

The accompanying notes are an integral part of these financial statements.

Health Programs	Other Governmental Funds	Total
\$ --	\$ 2,599,011	\$ 30,115,213
589,161	984,766	1,699,666
1,885	496,402	1,560,248
998	206,761	713,471
3,554,586	28,192,512	82,387,655
704,846	17,324,743	22,667,699
17,255	645,259	1,488,712
<u>4,868,731</u>	<u>50,449,454</u>	<u>140,632,664</u>
--	1,403,418	10,576,814
--	5,999,197	37,162,182
--	12,035,859	12,035,859
4,878,029	17,157,177	22,035,206
--	2,276,440	40,606,732
--	990,054	1,184,220
--	2,708	1,625,202
--	1,656,857	1,656,857
--	600,290	600,290
--	5,753,891	6,665,572
<u>4,878,029</u>	<u>47,875,891</u>	<u>134,148,934</u>
<u>(9,298)</u>	<u>2,573,563</u>	<u>6,483,730</u>
128,222	4,188,925	5,460,257
--	(1,955,034)	(5,460,257)
--	3,306	9,777
<u>128,222</u>	<u>2,237,197</u>	<u>9,777</u>
118,924	4,810,760	6,493,507
<u>222,741</u>	<u>45,094,990</u>	<u>86,215,616</u>
<u>\$ 341,665</u>	<u>\$ 49,905,750</u>	<u>\$ 92,709,123</u>

The accompanying notes are an integral part of these financial statements.

## COUNTY OF LAKE

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Government-Wide Statement of Activities - Governmental Activities  
For the Year Ended June 30, 2015

Net change to fund balance - total governmental funds \$ 6,493,507

Amounts reported for governmental activities in the statement of activities  
are different because:

Revenues in the statement of activities that do not provide current financial  
resources are not reported as revenue in the governmental funds.  
This is the change in unavailable revenues. (620,155)

Governmental funds report capital outlay as expenditures. However,  
in the statement of activities, the cost of those assets is allocated  
over their estimated useful lives and reported as depreciation expense.  
Expenditures for general capital assets and infrastructure \$ 7,599,911  
Less: current year depreciation (7,800,217) (200,306)

Long-term debt proceeds provide current resources to governmental funds,  
but issuing debt increases long-term liabilities in the statement of net position.  
Repayment of debt principal is an expenditure in the governmental funds,  
but the repayment reduces long-term liabilities in the statement of net position.  
Principal retirements 1,656,857 1,656,857

Some expenses reported in the statement of activities do not  
require the use of current financial resources and, therefore, are  
not reported as expenditures in governmental funds.  
Change in accrued interest on long-term debt 20,136  
Change in compensated absences 10,005  
Changes in net pension liability and deferred inflows/outflows 1,878,732  
Change in OPEB liability (507,360) 1,401,513

Internal service funds are used by management to charge the costs  
of certain activities, such as insurance and fleet maintenance,  
to individual funds. The net revenues (expense) of the internal  
service funds is reported with governmental activities. (232,587)

Change in net position of governmental activities \$ 8,498,829

The accompanying notes are an integral part of these financial statements.



# COUNTY OF LAKE

## Statement of Fund Net Position Proprietary Funds June 30, 2015

	Business-type Activities Enterprise Funds Solid Waste Management	Governmental Activities Internal Service Funds
<b>Assets:</b>		
Current Assets:		
Cash and investments	\$ 1,969,986	\$ 2,949,621
Imprest Cash	500	--
Restricted cash	5,315,469	--
Accounts receivable	450,761	--
Interest receivable	5,724	--
Inventory	--	17,140
Total Current Assets	<u>7,742,440</u>	<u>2,966,761</u>
Noncurrent Assets:		
Capital Assets:		
Nondepreciable	742,356	48,233
Depreciable, net	<u>4,734,524</u>	<u>926,483</u>
Total Noncurrent Assets	<u>5,476,880</u>	<u>974,716</u>
<b>Total Assets</b>	<u>13,219,320</u>	<u>3,941,477</u>
<b>Deferred Outflows of Resources:</b>		
Deferred pension	<u>94,666</u>	<u>--</u>
<b>Liabilities:</b>		
Current Liabilities:		
Accounts payable	35,013	16,187
Salaries & benefits payable	103,628	33,445
Compensated absences payable	<u>6,112</u>	<u>2,228</u>
Total Current Liabilities	<u>144,753</u>	<u>51,860</u>
Noncurrent Liabilities:		
Compensated absences payable	59,919	22,780
Closure/post closure liability	5,725,767	--
Net OPEB obligation	120,862	29,778
Pension liability	667,655	--
Estimated claims liability	--	674,014
Total Noncurrent Liabilities	<u>6,574,203</u>	<u>726,572</u>
<b>Total Liabilities</b>	<u>6,718,956</u>	<u>778,432</u>
<b>Deferred Inflows of Resources:</b>		
Deferred pension	<u>212,176</u>	<u>--</u>
<b>Net Position:</b>		
Net investment in capital assets	5,476,880	974,716
Unrestricted	<u>905,974</u>	<u>2,188,329</u>
<b>Total Net Position</b>	<u>\$ 6,382,854</u>	<u>\$ 3,163,045</u>

The accompanying notes are an integral part of these financial statements.

# COUNTY OF LAKE

## Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds For the Year Ended June 30, 2015

	Business-type Activities Enterprise Funds Solid Waste Management	Governmental Activities Internal Service Funds
<b>Operating Revenues:</b>		
Charges for services	\$ 2,806,469	\$ 5,202,933
Rents and concessions	--	1,032,808
Franchise fees	45,477	--
Other revenues	1,141	19,085
<b>Total Operating Revenues</b>	<b>2,853,087</b>	<b>6,254,826</b>
<b>Operating Expenses:</b>		
Salaries and benefits	1,086,102	378,648
Services and supplies	958,936	1,310,765
Maintenance	--	218,568
Closure/post closure	262,348	--
Claims/liability adjustments	--	4,267,175
Depreciation	176,528	331,929
<b>Total Operating Expenses</b>	<b>2,483,914</b>	<b>6,507,085</b>
Operating Income (Loss)	369,173	(252,259)
<b>Nonoperating Revenues (Expenses):</b>		
Intergovernmental revenues	79,082	--
Investment income (expense)	32,489	9,812
Gain (loss) on sale of assets	(57,049)	9,860
<b>Total Nonoperating Revenues (Expenses)</b>	<b>54,522</b>	<b>19,672</b>
<b>Change in Net Position</b>	<b>423,695</b>	<b>(232,587)</b>
<b>Net Position, Beginning of Year, Restated</b>	<b>5,959,159</b>	<b>3,395,632</b>
<b>Net Position, End of Year</b>	<b>\$ 6,382,854</b>	<b>\$ 3,163,045</b>

The accompanying notes are an integral part of these financial statements.

# COUNTY OF LAKE

## Statement of Cash Flows Proprietary Funds For the Year Ended June 30, 2015

	Business-type Activities Enterprise Funds Solid Waste Management	Governmental Activities Internal Service Funds
<b>Cash Flows from Operating Activities:</b>		
Receipts from customers	\$ 2,866,932	\$ 6,254,826
Payments to suppliers	(934,225)	(5,888,234)
Payments to employees	(1,111,823)	(375,740)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>820,884</b>	<b>(9,148)</b>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Operating grants	79,082	--
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>79,082</b>	<b>--</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Purchases of capital assets	(261,627)	(304,889)
Proceeds from sale of capital assets	12,550	9,860
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(249,077)</b>	<b>(295,029)</b>
<b>Cash Flows from Investing Activities:</b>		
Interest on investments	33,036	9,812
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>33,036</b>	<b>9,812</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>683,925</b>	<b>(294,365)</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>6,602,030</b>	<b>3,243,986</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 7,285,955</b>	<b>\$ 2,949,621</b>

continued

The accompanying notes are an integral part of these financial statements.

# COUNTY OF LAKE

## Statement of Cash Flows (continued) Proprietary Funds For the Year Ended June 30, 2015

	Business-type Activities Enterprise Funds	Governmental Activities
	Solid Waste Management	Internal Service Funds
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>		
Operating income (loss)	\$ 369,173	\$ (252,259)
Adjustments to reconcile operating income (loss) to cash flows from operating activities:		
Depreciation	176,528	331,929
Decrease (increase) in:		
Accounts receivable	13,845	--
Inventory	--	(2,573)
Increase (decrease) in:		
Accounts payable	24,710	(56,896)
Salaries and benefits payable	(2,646)	666
Compensated absences payable	(6,260)	29
OPEB liability	8,982	2,213
Net pension liability	(25,797)	--
Closure/post closure liability	262,349	--
Claims payable	--	(32,257)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 820,884</b>	<b>\$ (9,148)</b>

The accompanying notes are an integral part of these financial statements.

## COUNTY OF LAKE

### Statement of Fiduciary Net Position Fiduciary Funds June 30, 2015

	Investment Trust Fund	Successor Agency Private Purpose Trust Fund	Agency Funds
<b>Assets:</b>			
Cash and investments	\$ 46,003,770	\$ 62,006	\$ 10,403,538
Taxes and assessments receivable	--	--	9,014,678
<b>Total Assets</b>	<u>46,003,770</u>	<u>62,006</u>	<u>\$ 19,418,216</u>
<b>Liabilities:</b>			
Advances from other funds	--	5,236,548	--
Fiduciary liabilities	--	--	19,418,216
<b>Total Liabilities</b>	<u>--</u>	<u>5,236,548</u>	<u>\$ 19,418,216</u>
<b>Net Position:</b>			
Held in trust	<u>\$ 46,003,770</u>	<u>\$ (5,174,542)</u>	

The accompanying notes are an integral part of these financial statements.

# COUNTY OF LAKE

## Statement of Changes in Fiduciary Net Position For the Year Ended June 30, 2015

	Investment Trust Fund	Successor Agency Private Purpose Trust Fund
<b>Additions:</b>		
Contributions from participants	\$ 126,720,610	\$ --
Redevelopment Agency Property Tax Trust Fund	--	93,717
Interest and investment income	155,411	385
<b>Total Additions</b>	<u>126,876,021</u>	<u>94,102</u>
<b>Deductions:</b>		
Distributions to participants	120,686,668	--
Project administration	--	34,277
<b>Total Deductions</b>	<u>120,686,668</u>	<u>34,277</u>
<b>Change in Net Position</b>	6,189,353	59,825
<b>Net Position, Beginning of Year</b>	<u>39,814,417</u>	<u>(5,234,367)</u>
<b>Net Position, End of Year</b>	<u>\$ 46,003,770</u>	<u>\$ (5,174,542)</u>

The accompanying notes are an integral part of these financial statements.



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## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

#### Note 1: **Financial Reporting Entity and Summary of Significant Accounting Policies**

##### **A. Reporting Entity**

The County operates under an Administrator-Board of Supervisors form of government and provides various services on a county-wide basis including: public safety, highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The accounting methods and procedures adopted by the County conform to generally accepted accounting principles as applied to governmental entities. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable.

The governmental reporting entity consists of the County and its component units. Component units are legally separate organizations for which the Board of Supervisors is financially accountable or other organizations whose component units nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (i) either the County's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the County.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units are, although legally separate entities, in substance part of the County's operations and, therefore, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

For financial purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the Board of Supervisors. The financial statements of the individual component units may be obtained by writing to the County of Lake, Auditor-Controller's Office, 255 North Forbes Street, Lakeport, California, 95453.

The following blended component units, although legally separate entities, are considered to be part of the primary government for financial reporting purposes because their boards are comprised of County Board members, and/or they provide service exclusively to the County, and/or there exists a financial benefit or burden relationship:

##### **Air Quality District**

The Air Quality District is a separate legal entity formed to provide air quality services. The Air Quality District's Board of Directors is composed of the same members as the County's Board of Supervisors. Therefore, this entity has been blended with the primary government.

##### **Lake County Housing Commission**

The Lake County Housing Commission is a separate legal entity formed to administer the Section 8 program. The Housing Commission's purpose is to administer the housing program of the County of Lake. The Housing Commission's Board of Commissioners is composed of the same members as the County's Board of Supervisors. Therefore, this entity has been blended with the primary government.

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

#### Note 1: **Financial Reporting Entity and Summary of Significant Accounting Policies** (continued)

##### A. **Reporting Entity** (continued)

###### **Watershed Protection Districts**

The Watershed Protection Districts are separate legal entities formed to provide flood control in these districts within the County. The Watershed Protection District's Board of Directors is composed of the same members as the County's Board of Supervisors. Therefore, these entities have been blended with the primary government.

###### **County Service Areas**

The County Service Areas are separate legal entities created to provide services such as water and road maintenance throughout the County. The County Service Areas' Board of Directors is composed of the same members as the County's Board of Supervisors. Therefore, these entities have been blended with the primary government.

###### **Lighting Districts**

The Lighting Districts are separate legal entities formed to provide lighting services within these districts. The Lighting District's Board of Directors is composed of the same members as the County's Board of Supervisors. Therefore, these entities have been blended with the primary government.

###### **Sanitation Districts**

The Sanitation Districts are separate legal entities formed to provide sanitation maintenance services within the County. The Sanitation District's Board of Directors is composed of the same members as the County's Board of Supervisors. Therefore, these entities have been blended with the primary government.

###### **IHSS**

The *In-Home Supportive Services Public Authority* (IHSS) was established by the Board to act as the employer of record for IHSS individual providers. As an administrative unit, it carries out functions prescribed in Welfare & Institutions Code Section 12301.6. Those functions include a provider screening process, a registry that will match eligible providers and consumers, and collective bargaining with providers and their representatives. IHSS also offers access to training for providers and consumers while continuing to allow for consumer choice in the selection of providers. Though a legally separate entity, the IHSS Public Authority is programmatically integrated into the County service systems for aged, blind, and disabled individuals (including children).

###### **Lake County Redevelopment Successor Agency**

The *Lake County Redevelopment Successor Agency* (Successor Agency) operates under the auspices of a legislatively formed Oversight Board comprised of representatives of the local agencies that serve the redevelopment project area. The Oversight Board, in its fiduciary capacity, has authority over the operations and the timely dissolution of the former RDA. It is tasked with fulfilling the obligations of the former RDA, and is also responsible for revenue collection, and disposing of excess property.

###### **Lake County Public Financing Authority**

The *Lake County Public Financing Authority* was established in June 2011 by Board of Supervisors to provide financial assistance to the *Lake County Sanitation District* and the County in connection with the construction of public capital improvements.

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

#### Note 1: **Financial Reporting Entity and Summary of Significant Accounting Policies** (continued)

##### **B. Basis of Presentation**

###### **Government-Wide Financial Statements**

The statement of net position and statement of activities display information on all of the nonfiduciary activities of the County, and its blended component units. These statements include the financial activities of the overall governments, except fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the County's business-type activities and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Certain indirect costs, which cannot be identified and broken down, are included in the program expense reported for individual functions and activities. Program revenues include (1) charges paid by the recipients of goods and services offered by the program, (2) operating grants and contributions, and (3) capital grants and contributions. Taxes and other items not properly included among program revenue are presented instead as general revenues.

###### **Fund Financial Statements**

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

- Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The County reports the following major governmental funds:

- The General Fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund indicates such activities as general government, public protection, public assistance, education, and recreation services.
- The Housing Programs Fund is a special revenue fund used to account for the County certificate housing program.
- The Social Services Fund is a special revenue fund used to account for welfare assistance activity.
- The Health Programs fund is a special revenue fund used to account for the operations of the health programs.

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

Note 1: **Financial Reporting Entity and Summary of Significant Accounting Policies** (continued)

**B. Basis of Presentation** (continued)

**Fund Financial Statements** (continued)

The County reports the following major proprietary fund:

- The Solid Waste Management Fund is an enterprise fund used to provide for the operation and expansion of the County's landfills.

The County reports the following additional fund types:

- Internal Service Funds account for the County's fleet maintenance, central garage, heavy equipment rental, and self-insurance programs which provide services to other departments on a cost reimbursement basis.
- The Investment Trust Fund accounts for the assets of legally separate entities that deposit cash with the County Treasurer. The assets are held in trust for other agencies and are part of the County's external pool. The County is obligated to disburse monies on demand.
- Agency Funds account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the County, acting in the capacity of an agent for distribution to other governmental units or other organizations. The agency funds maintained by the County include three separate components:

County Departmental Agency – Accounts for all assets under the control of County departments which are held in a fiduciary capacity.

Unapportioned Taxes Agency – Accounts for property tax receipts awaiting apportionment to other local governmental agencies.

Unapportioned Interest Agency – Accounts for investment earnings awaiting apportionment to other local governmental agencies.

- Private-Purpose Trust Fund is a fiduciary fund type used by the County to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, liabilities, and activities of the Lake County Redevelopment Successor Agency (Successor Agency).

**C. Basis of Accounting and Measurement Focus**

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, including property and sales tax, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

#### Note 1: **Financial Reporting Entity and Summary of Significant Accounting Policies** (continued)

##### **C. Basis of Accounting and Measurement Focus** (continued)

Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. The County considers revenues reported in the governmental funds to be available if they are collected within forty-five days after the end of the current fiscal year. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to claims and judgments are recorded only when payment is due. Governmental capital asset acquisitions are reported as expenditures in the various functions of the governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary funds include trust funds and agency funds. All trust funds are reported using the economic measurement focus and the accrual basis of accounting. Agency funds are reported using the accrual basis of accounting to recognize receivables and payables.

##### **D. Cash and Investments**

The County sponsors an investment pool that is managed by the County Treasurer. The Treasurer invests on behalf of funds of the County and external participants in accordance with the California State Government Code and the County's investment policy. State statutes authorize the County to invest its cash surplus in obligations of the U.S. Treasury, agencies and instrumentalities, corporate bonds, medium term notes, bankers' acceptances, certificates of deposit, commercial paper, repurchase agreements, and the State of California Local Agency Investment Fund. Income from pooled investments is allocated to the individual funds or external participants based on the fund or participant's average daily cash balance at quarter end in relation to the total pool investments. Interest income earned in agency funds where there are no interest earnings requirements are assigned to the General Fund per County Policy. Income from non-pooled investments is recorded based on the specific investments held by the fund. The interest income is recorded in the fund that earned the interest.

Investment transactions are recorded on the trade date. Investments are reported at fair value which is determined using selected basis annually. The fair value represents the amount the County could reasonably expect to receive for an investment in a current sale between a willing buyer and seller. Short term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Managed funds not listed on an established market are reported at the estimated fair value as determined by the respective fund managers based on quoted sales prices of the underlying securities.

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

#### Note 1: **Financial Reporting Entity and Summary of Significant Accounting Policies** (continued)

##### **D. Cash and Investments** (continued)

Participant's equity in the investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Amortized premiums and accreted discounts, accrued interest, and realized gains and losses, net of expenses, are apportioned to pool participants each quarter. This method differs from the fair value method used to value investments in these financial statements, as unrealized gains or losses are not apportioned to pool participants. During the fiscal year ended June 30, 2015, the County Treasurer has not entered into any legally binding guarantees to support the value of participant equity in the investment pool.

For purpose of the accompanying statement of cash flows, the County considers all highly liquid investments with a maturity of three months or less when purchased, and their equity in the County Treasurer's investment pool, to be cash equivalents.

##### **E. Receivables**

Receivables consist of amounts due from others outside of the County. The County considers all of its receivables as collectible and therefore, no allowance is recorded.

##### **F. Interfund Transactions**

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

Loans reported as receivables and payables are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the current portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance in the General Fund and restricted fund balance in other governmental funds.

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and, therefore, are not eliminated in the process of preparing the government-wide statement of activities.

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

Note 1: **Financial Reporting Entity and Summary of Significant Accounting Policies** (continued)

#### F. Interfund Transactions (continued)

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are treated as an adjustment to expenditures or expenses; that is, a corresponding increase in expenditures or expenses in the reimbursing fund and a corresponding decrease in expenditures or expenses in the reimbursed fund.

All other interfund transactions are treated as transfers. Transfers between governmental and proprietary funds are netted as part of the reconciliation to the government-wide presentation.

#### G. Loans Receivables

The County provides loans receivable arising under mortgage subsidy and affordable housing programs. These receivables include loans that may be forgiven if certain terms and conditions of the loans are met.

#### H. Inventories

Inventories are stated at cost (first in – first out basis) for governmental and proprietary funds. Inventory recorded by governmental funds include materials and supplies for roads. Governmental fund inventories are recorded as expenditures at the time the inventory is purchased. Inventories recorded by proprietary funds include supplies for internal service funds. Proprietary fund inventories are recorded as expenses at the time the inventory is purchased.

#### I. Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

#### Government-Wide Financial Statements

In the government-wide financial statements, property, plant, equipment, and infrastructure are accounted for as capital assets in both the governmental and business-type activities column. Capital assets which include property, plant, equipment, and infrastructure assets (roads, bridges, sidewalks, water, sewer, and similar items) are defined by the County as assets with a cost of more than \$5,000 for equipment and \$25,000 for structures, improvements, and infrastructure and an estimated useful life of at least one year. Such assets are recorded at historical or estimated historical cost. Contributed capital assets are recorded at estimated fair market value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	5 – 15 years
Structures and improvements	10 – 50 years
Infrastructure	40 – 100 years

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

#### Note 1: **Financial Reporting Entity and Summary of Significant Accounting Policies** (continued)

##### I. **Capital Assets** (continued)

###### **Government-Wide Financial Statements** (continued)

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

###### **Fund Financial Statements**

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund at the time of acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

##### J. **Unearned Revenue**

Unearned revenue is recorded for assets recognized in connection with a transaction before the earnings process is complete. Those assets are offset by a corresponding liability for unearned revenue.

##### K. **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows or resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has one item, pension, which qualifies for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two types of item which qualify for reporting in this category: pensions and unavailable revenue. The item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: intergovernmental revenue and charges for services. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

##### L. **Long-Term Debt**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consist primarily of general obligation bonds, special assessment bonds with County commitment, loans payable, certificates of participation, capital leases, closure/post closure liability, and accrued compensated absences.

Long-term debt for governmental funds are not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures. Long-term debt associated with proprietary fund operations is accounted for the same as in the government-wide statements.



## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

Note 1: **Financial Reporting Entity and Summary of Significant Accounting Policies** (continued)

#### **M. Compensated Absences**

The County's policy regarding vacation and other leave obligations is to permit employees to accumulate earned but unused vacation and other leave obligations. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. In the governmental funds financial statements, the expenditures and liabilities related to those obligations are recognized only when they mature, while the proprietary funds report the liability as it is incurred. The County includes its share of social security and medicare taxes payable on behalf of the employees in the accrual for compensated absences.

#### **N. Pensions**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### **O. Other Post-Employment Benefits (OPEB)**

The County of Lake sponsors, under a defined benefit plan, a retiree healthcare plan to qualifying employees retiring directly from the County. The benefit level is determined by date of hire, length of service and bargaining agreements. The County has contracted for medical coverage to be provided through an agent multiple-employer Healthcare plan from either of two carriers that include the California State Association of Counties (CSAC) EIA Health Program or the California Public Employees Medical and Hospital Care Act (PEMHCA).

#### **P. Fund Balances/Net Position**

##### **Government-Wide Financial Statements**

Equity is classified as net position and displayed in three components:

- Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements, and other special revenue fund purposes.
- Unrestricted net position – All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted net position are available, restricted resources are depleted first before the unrestricted resources are used.

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

Note 1: **Financial Reporting Entity and Summary of Significant Accounting Policies** (continued)

**P. Fund Balances/Net Position** (continued)

**Fund Financial Statements**

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2015, fund balances for governmental funds are made up of the following:

- *Nonspendable Fund Balance* – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, including: inventories, prepaid amounts, and long-term notes receivable.
- *Restricted Fund Balance* – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- *Committed Fund Balance* – includes amounts that can only be used for the specific purpose determined by approval of a board resolution by 3/5<sup>th</sup> vote of the County's Board of Supervisors. Commitments may be changed or lifted only by the County taking the same formal action that imposed the constraint originally.
- *Assigned Fund Balance* – comprises amounts intended to be used by the County for specific purposes that are neither restricted nor committed. The County Administrator and Director of Finance can assign fund balance to be used for specific purposes during budget preparation.
- *Unassigned Fund Balance* – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

In circumstances when an expenditures is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

In Proprietary fund financial statements net position are accounted for the same as in the government-wide statements.

**Q. Property Tax**

The State of California's (State) Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed 1% of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100% of market value, as defined by Article XIII A, and may be adjusted by no more than 2% per year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a 1% tax levy among the County, cities, school districts, and other districts.

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

Note 1: **Financial Reporting Entity and Summary of Significant Accounting Policies** (continued)

**Q. Property Tax** (continued)

The County of Lake assesses properties and bills for and collects property taxes as follows:

	Secured	Unsecured
Valuation/lien dates	January 1	January 1
Levy dates	January 1	January 1
Due dates	November 1 (1 <sup>st</sup> installment) February 1 (2 <sup>nd</sup> installment)	July 1
Delinquent dates	December 10 (1 <sup>st</sup> installment) April 10 (2 <sup>nd</sup> installment)	August 31

The term “unsecured” refers to taxes on personal property other than land and buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized in the fiscal year for which they are levied, provided they are due and collected within forty-five days after fiscal year-end.

The County of Lake apportions secured property tax revenue in accordance with the alternate method of distribution, the “Teeter Plan”, as described in Section 4717 of the California Revenue and Taxation code. Under the Teeter Plan, penalties and interest collected on delinquent secured taxes are required to be held in trust in the Tax Loss Recovery Fund (TLRF). The primary purpose of the TLRF is to cover losses that may occur as a result of special sales tax-defaulted property.

The County is legally required to maintain a minimum balance of 1% of the annual taxes levied on properties participating in the Teeter Plan. The County has set aside \$9,653,331 as resources for delinquent sale shortfalls. The County’s management believes that any ownership rights to the TLRF the County may have are effective only upon a Board approved transfer or to the extent of losses related to the sale of tax defaulted property. Amounts in the TLRF are considered to be held in a custodial capacity for the participants in the County’s Teeter Plan and accounted for in an agency fund.

**R. Grant Revenues**

Certain grant revenues are recognized when specific related expenditures have been incurred. In other grant programs, monies are virtually unrestricted as to purpose of expenditure and are only revocable for failure to comply with prescribed compliance requirements. These revenues are recognized at the time of receipt, or earlier if susceptible to accrual criteria is met. Cash received prior to incurrence of the related expenditure is recorded as unearned revenue.

**S. Expenditures/Expenses**

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

- Governmental Funds – By Character
  - Current (further classified by function)
  - Debt Service
  - Capital Outlay
- Proprietary Fund – By Operating and Nonoperating

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

#### Note 1: **Financial Reporting Entity and Summary of Significant Accounting Policies** (continued)

##### T. Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

##### U. New Accounting Pronouncements

Statement No. 68	<i>Accounting and Financial Reporting for Pensions</i>	The provisions of this Statement are effective for financial statement periods beginning after June 15, 2014.
Statement No. 71	<i>Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68</i>	The provisions of this Statement are effective for financial statement periods beginning after June 15, 2014.

##### V. Future Accounting Pronouncements

Statement No. 72	<i>Fair Value Measurement and Application</i>	The provisions of this Statement are effective for financial statement periods beginning after June 15, 2015.
Statement No. 73	<i>Accounting for the Financial Reporting for Pension and Related Assets That are Not Within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68</i>	The provisions of this statement are effective for financial statements for fiscal years beginning after June 15, 2016.
Statement No. 74	<i>Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans</i>	The provisions of this statement are effective for financial statements for fiscal years beginning after June 15, 2016.
Statement No. 75	<i>Financial Reporting for Postemployment Benefit Plans Other than Pension Plans</i>	The provisions of this statement are effective for financial statements for fiscal years beginning after June 15, 2017.
Statement No. 76	<i>The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments</i>	The provisions of this statement are effective for financial statements for fiscal years beginning after June 15, 2017.

#### Note 2: **Cash and Investments**

The County sponsors an investment pool that is managed by the County Treasurer for the purpose of increasing interest earnings through investment activities. The investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Treasurer are regulated by the California Government Code and by the County's investment policy. The objectives of the policy are in order of priority, safety, liquidity, yield and public trust. The County has established a treasury oversight committee to monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The oversight committee and the Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the oversight committee and the Board of Supervisors each quarter. The report covers the type of investments in the pool, maturity dates, par value, actual cost and fair value.

The County sponsored investment pool includes both internal and external participants. The portion of the pool attributable to external pool participants, which are considered involuntary participants, are included in the reporting entity as an Investment Trust Fund which does not have separate financial reports. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer. The net position value of involuntary participation in the investment pool totaled \$46,003,770 at June 30, 2015.

# COUNTY OF LAKE

## Notes to Basic Financial Statements For the Year Ended June 30, 2015

### Note 2: **Cash and Investments** (continued)

As of June 30, 2015, the County's cash and investments are reported in the financial statements as follows:

Primary government	\$ 99,666,303
Investment trust fund	46,003,770
Agency funds	10,403,538
Private purpose	62,006
Total Cash and Investments	<u>\$ 156,135,617</u>

As of June 30, 2015, the County's cash and investments consisted of the following:

Cash:	
Cash on hand	\$ 1,411,416
Imprest cash	10,215
Deposits (less outstanding warrants)	<u>8,721,965</u>
Total Cash	<u>10,143,596</u>
Investments:	
In Treasurer's pool	<u>145,992,021</u>
Total Investments	<u>145,992,021</u>
	<u>\$ 156,135,617</u>

### Cash

Custodial Credit Risk for Deposits – Custodial Credit Risk is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The County's investment policy requires that deposits in banks must meet the requirements of California Government Code. Under this code, deposits of more than \$250,000 must be collateralized at 105 percent to 150 percent of the value of the deposit to guarantee the safety of the public funds. The first \$250,000 of the County's deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Deposits of more than the \$250,000 insured amounts are collateralized. The County's investment policy does not further limit its deposits.

### Investments

As of June 30, 2015, the County had the following investments:

	Interest Rates	Maturities	Par	Fair Value	Carrying Value	WAM (Years)
<b>Investments in Investment Pool</b>						
Negotiable CDs	variable	12/17/2015 - 1/30/2017	\$ 51,000,000	\$ 51,017,072	\$ 51,006,401	0.85
Commercial Paper	0.30%	7/1/2015	5,000,000	4,997,417	4,997,417	-
Medium Term Corporate Notes	variable	2/26/2016 - 5/15/2018	50,300,000	50,390,207	50,365,763	1.17
Local Agency Investment Fund (LAIF)	variable	on demand	39,622,440	39,622,440	39,622,440	-
<b>Total Treasurer's Pooled Investments</b>			<u>\$ 145,922,440</u>	<u>\$ 146,027,136</u>	<u>\$ 145,992,021</u>	

# COUNTY OF LAKE

## Notes to Basic Financial Statements For the Year Ended June 30, 2015

### Note 2: **Cash and Investments** (continued)

#### **Investments** (continued)

Interest Rate Risk – Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Through its investment policy, the County manages its exposure to fair value losses arising from increasing interest rates by limiting the maturity of its investments to 5 years or less. Of the investments in the County's investment pool, over 38 percent of the investments have a maturity of one year or less. Of the remainder, none have a maturity of more than 5 years.

Credit Risk – Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law and County investment policy limit investments in commercial paper to the rating of A1 or better by Standards & Poor's or P-1 or better by Moody's Investors Service; corporate bonds to the rating of A or better by both Standard & Poor's and Moody's Investors Service. No limits are placed on U.S. government securities. The County's investment policy does not further limit its investment choices.

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Percent of Pool</u>
Commercial Paper	A1	\$ 4,997,417	3.42%
Negotiable Certificates of Deposit	A1	6,000,000	4.11%
	A2	5,000,808	3.42%
	AA-	6,005,502	4.12%
	AA2	19,004,254	13.01%
	AA3	10,002,008	6.85%
	A+	5,004,500	3.43%
Medium Term Notes	A+	15,025,227	10.30%
	A1	4,779,631	3.27%
	A2	4,995,291	3.42%
	AA-	25,590,058	17.52%
Local Agency Investment Fund	Unrated	39,622,440	27.13%
		<u>\$ 146,027,136</u>	<u>100.00%</u>

Custodial Credit Risk – Custodial Credit Risk is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. To mitigate the custodial credit risk the County requires that all of its managed investments be held in the name of the County. The County's investment policy does not further limit the exposure to custodial credit risk.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. State law restricts the County's investments in commercial paper to 40% of its investment pool and to 10% per issuer and corporate bonds and medium term notes to 30% of its investment pool and to 10% per issuer and, banker's acceptances to 15% of its investment pool and to 10% per issuer. Approximately 27% of the County's investments at year-end are in the State of California Local Agency Investment Fund (LAIF). There is no limitation on amounts invested in these types of issues.

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

Note 2: **Cash and Investments** (continued)

#### **Investments** (continued)

Investment in Local Agency Investment Fund – The County of Lake is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. At June 30, 2015, the County's investment position in the State of California Local Agency Investment Fund (LAIF) was \$39,622,440, which approximates fair value and is the same as the value of the pool shares. The total amount, invested by all public agencies in LAIF on that day was \$69.6 billion. Of that amount 97.92% is invested in non-derivative financial products and 2.08% in structured notes and asset-backed securities. The value of the pool shares in LAIF is determined on an amortized cost basis, which approximates fair value. The Local Investment Advisory Board, which consists of five members, designated by the State statutes, has oversight responsibility for LAIF.

#### **County Investment Pool Condensed Financial Information**

The following are condensed statements of net position and changes in net position for the Treasurer's pool at June 30, 2015:

	Internal Participants	External Participants	Total Pool
<b>Statement of Net Position</b>			
Cash on hand	\$ 1,421,631	\$ --	\$ 1,421,631
Deposits (less outstanding warrants)	8,721,965	--	8,721,965
Investments	99,988,251	46,003,770	145,992,021
	<u>\$110,131,847</u>	<u>\$ 46,003,770</u>	<u>\$ 156,135,617</u>
<b>Statement of Changes in Net Position</b>			
Net position held for pool participants at July 1, 2014	\$100,106,260	\$ 39,814,416	\$ 139,920,676
Net changes in investments by pool participants	10,025,587	6,189,354	16,214,941
Net position held for pool participants at June 30, 2015	<u>\$110,131,847</u>	<u>\$ 46,003,770</u>	<u>\$ 156,135,617</u>

#### **Restricted Cash and Investments**

Restricted cash and investments of \$0 are held for future obligations for the Lake County Housing Commission. \$1,789,371 are held for realignment funding in the General Fund, and \$5,315,469 are held to fund future closure costs on the County's landfill. See Note 7 for additional information.

# COUNTY OF LAKE

## Notes to Basic Financial Statements For the Year Ended June 30, 2015

### Note 3: Capital Assets

Capital assets activity for the year ended June 30, 2015, was as follows:

	Balance July 1, 2014	Additions	Retirements	Adjustments/ Transfers	Balance June 30, 2015
<b>Governmental Activities</b>					
Capital Assets, Not Being Depreciated:					
Land	\$ 23,153,046	\$ 535,319	\$ --	\$ --	\$ 23,688,365
Construction in progress	21,559,056	3,950,155	--	(13,761,027)	11,748,184
Total Capital Assets, Not Being Depreciated	44,712,102	4,485,474	--	(13,761,027)	35,436,549
Capital Assets, Being Depreciated:					
Buildings and improvements	67,258,720	668,678	--	4,436,750	72,364,148
Equipment	23,900,714	2,280,894	(596,723)	--	25,584,885
Infrastructure	183,967,103	523,864	--	9,324,277	193,815,244
Total Capital Assets, Being Depreciated	275,126,537	3,473,436	(596,723)	13,761,027	291,764,277
Less Accumulated Depreciation for:					
Buildings and improvements	(25,507,543)	(1,438,715)	--	(191)	(26,946,449)
Equipment	(17,749,022)	(1,332,414)	548,516	--	(18,532,920)
Infrastructure	(120,124,425)	(5,361,017)	--	(5,712)	(125,491,154)
Total Accumulated Depreciation	(163,380,990)	(8,132,146)	548,516	(5,903)	(170,970,523)
Total Capital Assets, Being Depreciated, Net	111,745,547	(4,658,710)	(48,207)	13,755,124	120,793,754
Governmental Activities Capital Assets, Net	\$ 156,457,649	\$ (173,236)	\$ (48,207)	\$ (5,903)	\$ 156,230,303
<b>Business-Type Activities</b>					
Capital Assets, Not Being Depreciated:					
Land	\$ 742,356	\$ --	\$ --	\$ --	\$ 742,356
Construction in progress	1,224,570	144,657	--	(1,369,227)	--
Total Capital Assets, Not Being Depreciated	1,966,926	144,657	--	(1,369,227)	742,356
Capital Assets, Being Depreciated:					
Buildings and improvements	1,427,238	116,970	--	--	1,544,208
Equipment	3,602,410	--	(260,998)	--	3,341,412
Infrastructure	2,425,373	--	--	1,369,227	3,794,600
Total Capital Assets, Being Depreciated	7,455,021	116,970	(260,998)	1,369,227	8,680,220
Less Accumulated Depreciation for:					
Buildings and improvements	(478,479)	(30,305)	--	--	(508,784)
Equipment	(2,987,940)	(70,329)	191,399	--	(2,866,870)
Infrastructure	(494,148)	(75,894)	--	--	(570,042)
Total Accumulated Depreciation	(3,960,567)	(176,528)	191,399	--	(3,945,696)
Total Capital Assets, Being Depreciated, Net	3,494,454	(59,558)	(69,599)	1,369,227	4,734,524
Business-Type Activities Capital Assets, Net	\$ 5,461,380	\$ 85,099	\$ (69,599)	\$ --	\$ 5,476,880



## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

Note 3: **Capital Assets** (continued)

#### **Depreciation**

Depreciation expense was charged to governmental functions as follows:

General Government	\$	754,548
Public Protection		625,626
Public Ways & Facilities		2,150,477
Health & Sanitation		3,918,942
Public Assistance		150,680
Education		33,154
Recreation & Culture		166,790
Internal service fund depreciation expense is charged to specific functions based on asset usage		331,929
Total Depreciation Expense - Governmental Functions	\$	<u>8,132,146</u>

Depreciation expense was charged to business-type functions as follows:

Solid Waste	\$	176,528
Total Depreciation Expense - Business-Type Functions	\$	<u>176,528</u>

#### **Construction in Progress**

Construction in progress for governmental activities related to work performed on the Lucerne Hotel in preparation for Marymount University, various park improvements throughout the County, multiple bridge and road projects throughout the County, the Middletown Library/Senior Center, and special districts plant improvements.

# COUNTY OF LAKE

## Notes to Basic Financial Statements For the Year Ended June 30, 2015

### Note 4: Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2015:

Type of Indebtedness	Balance July 1, 2014	Additions	Retirements	Balance June 30, 2015	Amount Due Within One Year
<b>Governmental Activities</b>					
General obligation bonds	\$ 75,000	\$ --	\$ 75,000	\$ --	\$ --
Special assessment bonds with County commitment	304,000	--	55,000	249,000	57,000
Revenue bonds	4,415,000	--	90,000	4,325,000	90,000
Loans payable	9,386,407	--	1,392,257	7,994,150	1,431,875
Certificates of participation	2,541,596	--	44,600	2,496,996	46,400
Compensated absences (Note 1M)	3,230,181	4,019,764	4,029,740	3,220,205	332,171
<b>Total Governmental Activities</b>	<b>\$ 19,952,184</b>	<b>\$ 4,019,764</b>	<b>\$ 5,686,597</b>	<b>\$ 18,285,351</b>	<b>\$ 1,957,446</b>
<b>Business-Type Activities</b>					
Closure/post closure (Note 8)	\$ 5,289,622	\$ 259,742	\$ --	5,549,364	\$ --
Corrective action	173,796	2,607	--	176,403	--
	5,463,418	262,349	--	5,725,767	--
<b>Solid Waste Management</b>					
Compensated absences	72,291	73,503	79,763	66,031	6,112
<b>Total Business-Type Activities</b>	<b>\$ 5,535,709</b>	<b>\$ 335,852</b>	<b>\$ 79,763</b>	<b>\$ 5,791,798</b>	<b>\$ 6,112</b>

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. Estimated claims are liquidated by charges for services collected through individual internal service funds. The capital lease liability is liquidated by lease payments made by the departments leasing the equipment. Compensated absences for the governmental activities are generally liquidated by the fund where the accrued liability occurred.

Special assessment bonds with County commitment are not a direct responsibility of the County. Principal and interest payments are funded from the collection of special assessments and are accounted for in the Sanitation District's component unit special revenue fund. The County is obligated for special assessment debt only to the extent of special assessments collected.

# COUNTY OF LAKE

## Notes to Basic Financial Statements For the Year Ended June 30, 2015

### Note 4: Long-Term Liabilities (continued)

At June 30, 2015, special assessment bonds with County Commitment consisted of the following:

	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2015</u>
<b>Special Assessment Bonds:</b>						
Sanitation District #1-5 1915 Act		7/2/2019	5.00%	\$52,000 - \$67,000	\$ 1,340,000	<u>\$ 249,000</u>

At June 30, 2015, revenue bonds consisted of the following:

	<u>Date of Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2015</u>
<b>Revenue Bonds</b>					
Southeast Regional Wastewater Revenue Bonds, Series, 2011	7/15/2040	2.000% - 5.875%	\$90,000 - \$300,000	4,500,000	<u>\$ 4,325,000</u>
<i>Used to finance construction and improvements of the Southeast Regional Wastewater System.</i>					

At June 30, 2015, loans payable consisted of the following:

	<u>Date of Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2015</u>
<b>Loans Payable</b>					
California Statewide Communities Development Authority Loan	6/01/2019	7.125%	\$12,194-\$16,135	\$ 199,971	\$ 58,283
<i>Used to refinance a prior California Department of Water Resources loan and finance the cost of improvements to the Lake County Service Area #20 Soda Bay.</i>					
Safe Drinking Water Loan	9/30/2023	3.2205%	\$173,685 - \$224,266	4,387,769	1,609,689
<i>Used to finance the cost of correcting deficiencies in the domestic water supply for the Lake County Service Area #20 Soda Bay.</i>					
Safe Drinking Water Loan	3/31/2016	3.2205%	\$290,671 - \$300,097	5,250,000	300,097
<i>Used to finance the cost of correcting deficiencies in the domestic water supply for the Lake County Service Area #21 Lakeport.</i>					
State Water Resources Control Board Loan	6/30/2018	2.80%	\$454,943 - \$507,585	7,636,443	1,482,599
<i>Used to finance the upgrade to the Southeast Regional Wastewater Treatment Plant and construction of the Southeast Geyser's Effluent Pipeline.</i>					
State Sewer Revolving Loan	1/31/2023	1.60%	\$387,147 - \$475,354	9,263,406	3,482,366
<i>Used to finance the upgrade to the Northwest Regional Wastewater Treatment Plant, construction of a force main and aerated lagoons, and installment of a disinfection system on SCADA system.</i>					
State Water Resources Control Board Loan	12/31/2030	1.0%	\$60,877 - \$71,383	1,299,753	<u>1,061,116</u>
<i>Used to upgrade the Kelseyville Water Works District Wastewater System.</i>					
					<u>\$ 7,994,150</u>

# COUNTY OF LAKE

## Notes to Basic Financial Statements For the Year Ended June 30, 2015

### Note 4: Long-Term Liabilities (continued)

At June 30, 2015, certificates of participation consisted of the following:

	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2015</u>
<b>Certificates of Participation</b>						
Kelseyville County Waterworks						
District #3 - Water Project						
Series 2005		4/1/2044	4.25%	\$34,500 - \$110,600	\$ 2,394,800	\$ 1,868,296
<i>Used to finance the construction of water system improvements.</i>						
County Service Area #6, Finley						
Water - Water Project Series 2005		4/1/2045	4.375%	\$10,100 - \$36,400	714,000	628,700
<i>Used to finance the construction of water system improvements.</i>						<u><u>\$ 2,496,996</u></u>

At June 30, 2015, the annual debt service requirements were summarized as follows:

### **Governmental Activities**

#### Special Assessment Bonds

<u>Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 57,000	\$ 11,025	\$ 68,025
2017	61,000	8,075	69,075
2018	64,000	4,950	68,950
2019	67,000	1,675	68,675
Total	<u>\$ 249,000</u>	<u>\$ 25,725</u>	<u>\$ 274,725</u>

#### Loans Payable and Revenue Bonds Payable

<u>Year Ended June 30</u>	<u>Loans</u>			<u>Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 1,431,874	\$ 204,360	\$ 1,636,234	\$ 90,000	\$ 226,731	\$ 316,731
2017	1,163,142	165,709	1,328,851	95,000	224,181	319,181
2018	1,194,642	133,745	1,328,387	95,000	221,153	316,153
2019	705,853	100,737	806,590	100,000	217,675	317,675
2020	707,864	81,725	789,589	105,000	213,700	318,700
2021-2025	2,305,692	136,234	2,441,926	575,000	998,125	1,573,125
2026-2030	343,023	17,462	360,485	735,000	836,975	1,571,975
2031-2035	142,060	2,134	144,194	955,000	608,053	1,563,053
2036-2040	--	--	--	1,275,000	284,203	1,559,203
2041	--	--	--	300,000	8,813	308,813
Total	<u>\$ 7,994,150</u>	<u>\$ 842,106</u>	<u>\$ 8,836,256</u>	<u>\$ 4,325,000</u>	<u>\$ 3,839,609</u>	<u>\$ 8,164,609</u>

# COUNTY OF LAKE

## Notes to Basic Financial Statements For the Year Ended June 30, 2015

Note 4: **Long-Term Liabilities** (continued)

### **Governmental Activities** (continued)

#### Certificates of Participation

Year Ended June 30	Principal	Interest	Total
2016	\$ 46,400	\$ 116,836	\$ 163,236
2017	48,500	114,851	163,351
2018	50,600	112,776	163,376
2019	52,700	110,611	163,311
2020	55,000	108,357	163,357
2021-2025	312,000	504,441	816,441
2026-2030	384,800	431,761	816,561
2031-2035	474,300	342,058	816,358
2036-2040	585,000	231,514	816,514
2041-2045	487,696	95,184	582,880
Total	<u>\$ 2,496,996</u>	<u>\$ 2,168,389</u>	<u>\$ 4,665,385</u>

### **Rebatable Arbitrage**

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. The County does not expect to incur a liability for rebatable arbitrage.

Note 5: **Net Position/Fund Balances**

### **Net Position**

Net investment in capital assets was comprised of the following:

	Governmental Activities	Business-Type Activities
Capital assets net of accumulated depreciation	\$ 156,230,303	\$ 5,476,880
Outstanding principal of capital-related debt	(15,065,146)	-
Net position, net investment in capital assets	<u>\$ 141,165,157</u>	<u>\$ 5,476,880</u>

# COUNTY OF LAKE

## Notes to Basic Financial Statements For the Year Ended June 30, 2015

### Note 5: Net Position/Fund Balances (continued)

#### Fund Balances

Details of the fund balance classifications of the governmental funds as of June 30, 2015 are as follows:

	General Fund	Housing Programs	Social Services	Health Programs	Other Governmental Funds	Totals
<b>Nonspendable:</b>						
Advances to other funds	\$ 6,718,908	\$ --	\$ --	\$ --	\$ --	\$ 6,718,908
Inventory	--	--	--	--	135,274	135,274
Total Nonspendable	<u>6,718,908</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>135,274</u>	<u>6,854,182</u>
<b>Restricted for:</b>						
General government	2,033,988	--	--	--	--	2,033,988
Public protection	--	--	--	--	3,972,172	3,972,172
Public assistance	--	--	5,973,445	--	--	5,973,445
Health and sanitation	--	--	--	--	--	--
Public ways and facilities	--	--	--	--	3,381,079	3,381,079
Education	--	--	--	--	--	--
Recreation	--	--	--	--	--	--
Debt service	--	--	--	--	8,287,447	8,287,447
Capital projects	--	--	--	--	76,007	76,007
Housing programs	--	5,739,419	--	--	1,185,348	6,924,767
Health programs	--	--	--	341,665	6,459,277	6,800,942
Road repair	--	--	--	--	7,803,723	7,803,723
Sheriff programs	--	--	--	--	4,588,452	4,588,452
Community services	--	--	--	--	10,105,558	10,105,558
Total Restricted	<u>2,033,988</u>	<u>5,739,419</u>	<u>5,973,445</u>	<u>341,665</u>	<u>45,859,063</u>	<u>59,947,580</u>
<b>Assigned to:</b>						
General reserve	7,000,000	--	--	--	--	7,000,000
Infrastructure	2,165,670	--	--	--	--	2,165,670
General government	346,406	--	--	--	2,235,777	2,582,183
Jail expansion	--	--	--	--	1,675,636	1,675,636
Total Assigned	<u>9,512,076</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,911,413</u>	<u>13,423,489</u>
<b>Unassigned</b>	<u>12,483,872</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>12,483,872</u>
Total Fund Balances	<u>\$ 30,748,844</u>	<u>\$ 5,739,419</u>	<u>\$ 5,973,445</u>	<u>\$ 341,665</u>	<u>\$ 49,905,750</u>	<u>\$ 92,709,123</u>

### Note 6: Leases

#### Operating Leases

The County leases office buildings and equipment under non-cancellable operating leases. Total cost for these leases was \$983,992 for the year ended June 30, 2015. The future minimum lease payments are as follows:

Year Ended June 30	Principal
2016	\$ 668,561
2017	575,752
2018	236,885
2019	206,077
2020	194,527
2021-2025	972,635
2026-2030	972,635
2031-2032	<u>291,791</u>
Total	<u>\$ 4,118,863</u>

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

#### Note 7: Closure/Post Closure

The County of Lake has one landfill and one transfer station. State and Federal laws and regulations require the County to perform certain closure and post-closure maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfills stop accepting waste, the County reports a portion of these closure and post-closure care costs as an expenditure in each year based on landfill capacity used as of each balance sheet date. The \$5,725,767 reported as closure/post-closure liability at June 30, 2015, represents the cumulative amount reported to date based on the use of 79.69 percent of total estimated site capacity. The estimated remaining life of the landfill is 10 years.

The County will recognize the remaining estimated cost of closure and post-closure care of \$1,237,923 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2015. Actual costs may be higher due to inflation, change in technology, or changes in regulations.

The County is required by State and Federal laws and regulations to provide financial assistance that appropriate resources will be available to finance closure and post-closure care costs in the future. At June 30, 2015, cash and investments of \$5,315,469 were held to fund closure costs and are reported as restricted cash on the Solid Waste Management's financial statements.

The County has approved a pledge of revenue to fund the post-closure costs. The County expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional post-closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example) these costs may need to be covered by charges to future landfill users or from future tax revenue.

#### Note 8: Interfund Transactions

##### **Advances To/From Other Funds**

The following are advances to/from other funds as of June 30, 2015:

Receivable Fund	Payable Fund	Amount
General fund	RDA Successor Agency	\$ 4,890,901
	Other Governmental Funds	1,828,007
		<u>6,718,908</u>
Other Governmental Funds	Other Governmental Funds	23,135
	RDA Successor	345,647
		<u>368,782</u>
		<u><u>\$ 7,087,690</u></u>

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

#### Note 8: **Interfund Transactions** (continued)

##### **Transfers**

Transfers are indicative of funding for capital projects, lease payments or debt service. The following are the interfund transfers for the fiscal year ended June 30, 2015:

Transfer From	Transfer To	Amount
General Fund	Health Services	\$ 128,222
	Other Governmental Funds	3,340,001
		<u>3,468,223</u>
Social Services	Housing	<u>37,000</u>
Other Governmental Funds	General Fund	1,084,165
	Social Services	21,945
	Other Governmental Funds	848,924
		<u>1,955,034</u>
		<u>\$ 5,460,257</u>

#### Note 9: **Employees' Retirement Plan**

##### **General Information about the Pension Plans**

**Plan Descriptions** – All qualified permanent and probationary employees are eligible to participate in the County's separate Safety (police and fire) and Miscellaneous (all other) Plans, agent multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and County's resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**Benefits Provided** – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.



# COUNTY OF LAKE

## Notes to Basic Financial Statements For the Year Ended June 30, 2015

Note 9: **Employees' Retirement Plan** (continued)

### General Information about the Pension Plans (continued)

The Plans' provisions and benefits in effect at June 30, 2015, are summarized as follows:

	<b>Miscellaneous</b>	
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	55	62
Monthly benefits, as a % of eligible compensation	2%	2%
Required employee contribution rates	7%	6.25%
Required employer contribution rates	13.092%	13.092%

	<b>Safety</b>	
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Benefit formula	2% @ 50	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	57
Monthly benefits, as a % of eligible compensation	2%	2.7%
Required employee contribution rates	9.00%	10.75%
Required employer contribution rates	18.723%	18.723%

**Employees Covered** – At June 30, 2014, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	802	165
Inactive employees entitled to but not yet receiving benefits	491	61
Active employees	728	145
Total	2,021	371

**Contributions** – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

# COUNTY OF LAKE

## Notes to Basic Financial Statements For the Year Ended June 30, 2015

Note 9: **Employees' Retirement Plan** (continued)

### Net Pension Liability

The County's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2014, using an annual actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2013	June 30, 2013
Measurement Date	June 30, 2014	June 30, 2014
Actuarial Cost Method	Entry-Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	7.5%	7.5%
Inflation	2.75%	2.75%
Payroll Growth	3.0%	3.0%
Projected Salary Increase	3.3% - 14.2% (1)	3.3% - 14.2% (1)
Investment Rate of Return	7.5% (2)	7.5% (2)
Mortality	Derived using CalPERS' Membership Data for all Funds	
Post Retirement Benefit	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter	

(1) Depending on age, service and type of employment

(2) Net of pension plan investment expenses, including inflation

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

**Discount Rate** – The discount rate used to measure the total pension liability was 7.50% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

#### Note 9: **Employees' Retirement Plan** (continued)

##### **Net Pension Liability** (continued)

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11 + (b)
Global Equity	47.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	12.0%	6.83%	6.95%
Real Estate	11.0%	4.50%	5.13%
Infrastructure and Forestland	3.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%
Total	100.0%		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

# COUNTY OF LAKE

## Notes to Basic Financial Statements For the Year Ended June 30, 2015

### Note 9: Employees' Retirement Plan (continued)

#### Changes in the Net Pension Liability

The changes in the Net Pension Liability for each Plan follows:

##### Miscellaneous Plan:

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<b>Balance at June 30, 2013</b>	<b>\$ 186,879,842</b>	<b>\$ 141,926,425</b>	<b>\$ 44,953,417</b>
<b>Changes in the Year:</b>			
Service cost	4,826,100	--	4,826,100
Interest on the total pension liability	13,855,172	--	13,855,172
Benefit payments, including refunds of employee contributions	(9,114,501)	(9,114,501)	--
Contribution - employer	--	3,778,743	(3,778,743)
Contribution - employee	--	2,027,658	(2,027,658)
Net investment income	--	24,523,349	(24,523,349)
<b>Net changes</b>	<b>9,566,771</b>	<b>21,215,249</b>	<b>(11,648,478)</b>
<b>Balance at June 30, 2014</b>	<b>\$ 196,446,613</b>	<b>\$ 163,141,674</b>	<b>\$ 33,304,939</b>

##### Safety Plan:

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<b>Balance at June 30, 2013</b>	<b>\$ 76,314,285</b>	<b>\$ 56,134,109</b>	<b>\$ 20,180,176</b>
<b>Changes in the Year:</b>			
Service cost	2,113,941	--	2,113,941
Interest on the total pension liability	5,666,380	--	5,666,380
Benefit payments, including refunds of employee contributions	(3,639,000)	(3,639,000)	--
Contribution - employer	--	1,482,762	(1,482,762)
Contribution - employee	--	781,834	(781,834)
Net investment income	--	9,708,850	(9,708,850)
<b>Net changes</b>	<b>4,141,321</b>	<b>8,334,446</b>	<b>(4,193,125)</b>
<b>Balance at June 30, 2014</b>	<b>\$ 80,455,606</b>	<b>\$ 64,468,555</b>	<b>\$ 15,987,051</b>

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** – The following presents the net pension liability of the County for each Plan, calculated using the discount rate for each Plan, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

# COUNTY OF LAKE

## Notes to Basic Financial Statements For the Year Ended June 30, 2015

Note 9: **Employees' Retirement Plan** (continued)

### Changes in the Net Pension Liability (continued)

	Miscellaneous	Safety
1% Decrease	6.50%	6.50%
Net Pension Liability	59,505,445	27,299,937
Current Discount Rate	7.50%	7.50%
Net Pension Liability	34,511,939	15,987,051
1% Increase	8.50%	8.50%
Net Pension Liability	13,591,423	6,750,869

**Pension Plan Fiduciary Net Position** – Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

### Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2015, the County recognized pension expense of \$5,084,509. At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 6,989,037	\$ --
Net differences between projected and actual earnings on plan investments	--	(15,664,605)
Total	<u>\$ 6,989,037</u>	<u>\$ (15,664,605)</u>

The County reported \$6,989,037 as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

June 30,	
2016	\$ (3,916,152)
2017	(3,916,152)
2018	(3,916,152)
2019	(3,916,149)
	<u>\$ (15,664,605)</u>

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

#### Note 10: **Other Post-Employment Benefits (OPEB)**

##### **Plan Description**

The County sponsors medical coverage to be provided through an agent multiple-employer Healthcare plan. The County arranges health insurance coverage for employees from either of two carriers that include the California State Association of Counties (CSAC) EIA Health Program or the California Public Employees Medical and Hospital Care Act (PEMHCA). Both carriers provide health insurance through a variety of Health Maintenance Organizations (HMO) and Preferred Provider Organization (PPO) options.

Participation in the chosen healthcare plan is through a flexible benefits plan, with contributions made to the plan of up to \$800 per month for active employees. This amount includes the \$122 per month required by PEMHCA. Dental, vision and life insurance are also available and are included in the \$800 per month County contribution maximum. Copies of PERS' annual financial report may be obtained from their executive office – 400 P Street, Sacramento, CA 95814. CSAC EIA's annual financial report may be obtained by contacting them at the Office of the Chief Financial Officer, 75 Iron Point Circle, Suite 200, Folsom, California 95630.

The County extends health coverage to its retirees. The County makes the required statutory PEMHCA contribution and other monthly insurance stipends as described below for retirees that chose to continue coverage within the County plan offerings.

Retirees who have completed at least 15 continuous years of service with the County at the time of retirement are eligible for County stipend of 50% of the retiree-only medical premium depending on the health insurance option selected by the retiree. Retirees who have completed at least 20 continuous years of service at retirement are eligible for a 75% of the retiree-only medical premium depending on the health insurance option selected by the retiree. County contribution ceases at age 65 or upon death of retiree, if earlier. For those retirees covered by the PEMHCA plans, the statutory amount required continues beyond age 65 as required by law. Retirees may choose spousal and/or dependent child coverage; however, there is no County contribution for this coverage or for dental/vision coverage of either the retiree or dependents.

##### **Funding Policy**

As required by GASB 45, an actuary will determine the County's Annual Required Contribution (ARC) at least once every two fiscal years. The ARC is calculated in accordance with certain parameters, and includes (1) the Normal Cost for one year, and (2) a component for amortization of the total unfunded actuarial accrued liability (UAAL) over a period not to exceed 30 years.

GASB 45 does not required pre-funding of OPEB benefits. Therefore, the County's funding policy is to continue to pay healthcare premiums for retirees as they fall due. The County has elected not to establish an irrevocable trust at this time. The Board of Supervisors reserves the authority to review and amend this funding policy from time to time, in order to ensure that the funding policy continues to best suit the circumstances of the County.

##### **Annual OPEB Cost and Net OPEB Obligation/(Asset)**

The following table shows the components of the County's Annual OPEB Cost for the year ended June 30, 2015, the amount actually contributed to the plan, and changes in the County's Net OPEB Obligation/(Asset). The OPEB liability has substantially decreased as a result of the termination of CalPERS health insurance for all but one employee group. This has eliminated the statutory lifetime minimum benefits as required under CalPERS health.

# COUNTY OF LAKE

## Notes to Basic Financial Statements For the Year Ended June 30, 2015

Note 10: **Other Post-Employment Benefits (OPEB)** (continued)

### Annual OPEB Cost and Net OPEB Obligation/(Asset) (continued)

Annual Required Contribution	\$ 940,002
Interest on Net OPEB Obligation/(Asset)	258,378
Adjustment to Annual Required Contributions	(342,793)
Annual OPEB Cost (Expense)	855,587
Contributions Made	(337,032)
Increase to Net OPEB Obligations/(Asset)	518,555
Net OPEB Obligation/(Asset) - Beginning of Year	6,459,459
Net OPEB Obligation/(Asset) - End of Year	<u>\$ 6,978,014</u>

The County's Annual OPEB Cost, the percentage of Annual OPEB Cost contributed to the plan, and the Net OPEB Obligation/(Asset) for the fiscal year ended June 30, 2015 and the two prior fiscal years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Actual Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation/(Asset)
June 30, 2013	\$ 696,534	\$ 311,654	44.74%	\$ 5,927,588
June 30, 2014	834,313	302,442	36.25%	6,459,459
June 30, 2015	855,587	337,032	39.39%	6,978,014

### Funded Status and Funding Progress

The funded status of the plan as of the most recent three actuarial valuations, was as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Projected Unit Credit Actuarial Accrued Liability	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2009	\$ -	13,606,926	13,606,926	0.00%	40,037,600	33.99%
July 1, 2011	-	6,395,104	6,395,104	0.00%	38,444,213	16.63%
July 1, 2013	-	8,147,482	8,147,482	0.00%	39,227,069	20.77%

Actuarial valuations of an ongoing plan involve estimates of the value of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the Annual Required Contributions of the County are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information (as it becomes available) that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

#### Note 10: Other Post-Employment Benefits (OPEB) (continued)

##### **Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The plan's most recent actuarial valuation was performed as of July 1, 2013. In that valuation, the Projected Unit Credit (PUC) Cost Method was used. The actuarial assumptions included a 4 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 4 percent. These assumptions reflect an implicit 3.0 percent general inflation assumption. The County's unfunded actuarial accrued liability is being amortized as a level dollar amount on an open basis over 30 years. The remaining amortization period as of June 30, 2015 was 25 years.

#### Note 11: Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has Risk Management Funds (Internal Service Funds) to finance its insured and uninsured risks of loss. The County's uninsured risk of loss for public liability claims is \$10,000 per occurrence; the County is fully insured for workers' compensation losses and the County is fully self-insured for all unemployment claims. The County is a member of the County Supervisors Association of California Excess Insurance Authority, a public entity risk pool currently operating as a common risk management and insurance program for counties. The County pays annual premiums to the Authority for insurance coverage.

Settled claims resulting from risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

Actual claims unpaid as of June 30, 2015, including any estimates for incurred but not reported (IBNR) amounts, constitute claims payable. The claims liability at June 30, 2015, was as follows:

Unemployment	\$ 116,308
Public Liability	<u>557,706</u>
Total	<u>\$ 674,014</u>

All funds of the County participate in the program and make payments to the Risk Management Fund based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. The claims liability of \$674,014 reported in the funds at June 30, 2015, is based on the requirements of Governmental Accounting Standards Board Statement No. 10 and 30, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is possible that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Estimates of the liabilities for incurred (both reported and unreported), but unpaid claims are actuarially determined. Liabilities are based on the estimated cost of settling the claims.



# COUNTY OF LAKE

## Notes to Basic Financial Statements For the Year Ended June 30, 2015

### Note 11: **Risk Management** (continued)

Changes in the County's claims liability amount for the fiscal years 2013, 2014, and 2015 were as follows:

Fiscal Year Ended	Balance at Beginning of Fiscal Year	Claims and Changes in Estimates	Claims Payments	Balance at End of Year
2013	\$ 656,320	\$ 1,156,342	\$ 1,115,995	\$ 696,667
2014	696,667	853,789	863,393	706,271
2015	706,271	1,161,186	1,128,929	674,014

The ultimate settlement of specific claims against the County cannot presently be determined and no provision for any other liability that may result has been made in the financial statements.

### Note 12: **Stewardship, Compliance, and Accountability**

#### Deficit Fund Balance/Net Position

As of June 30, 2015, the following fund had a deficit fund balance/net position:

	Deficit
Public Liability Insurance	\$ 65,483

The Internal Service fund deficit is due to expenses in excess of user charges. These deficits will be funded by increased user charges.

### Note 13: **Restatement of Fund Balance/Net Position**

Adjustments resulting from errors or changes to comply with provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the County reports these changes as restatements of beginning fund balance or net position.

	Government-wide Statements	Business Fund Statements
	Governmental Activities	Sewer Fund
Net position as of June 30, 2014, as previously reported	\$ 220,555,565	\$ 6,770,121
<u>Implementation of New Accounting Standards - GASB Statement Nos. 68 and 71</u>		
Net pension liability - beginning balance	(59,061,125)	(810,962)
Net position as of July 1, 2014, restated	<u>\$ 161,494,440</u>	<u>\$ 5,959,159</u>

## COUNTY OF LAKE

### Notes to Basic Financial Statements For the Year Ended June 30, 2015

#### Note 14: **Other Information**

##### **A. Construction Commitments**

The County has signed agreements to construct various capital improvement projects that were not completed by June 30, 2015. The balance owed on these commitments at June 30, 2015 was approximately \$10,434,229. The cost of these commitments will be financed by monies that have been set aside for those specific capital improvement projects.

##### **B. Contingent Liabilities**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

The County is a defendant in various lawsuits. In the aggregate, these claims seek monetary damages in significant amounts. However, in the opinion of County Counsel, final disposition should not materially adversely affect the financial position of the County, since the legal matters are covered by the County's liability program which, subject to a \$10,000 deductible per occurrence, provides complete coverage for any County liability losses. Therefore, no provision has been made in the financial statements for a loss contingency.

The County has received cease and desist orders on water and wastewater special districts. The action required to correct these situations will require future application of funding and or debt as well as capital outlay expenditures. There is not an estimate at this time of the eventual cost to the County. Therefore, no provision has been made in the financial statements.

#### Note 15: **Subsequent Events**

Management has evaluated events subsequent to June 30, 2015 through March 3, 2016, the date on which the financial statements were available for issuance. Management has determined that the following was a subsequent event:

During the summer of 2015 Lake County experienced three major disaster events that will impact the economic and financial stability of County government and the community as a whole for years to come. Statistics provided by Cal Fire for the Rocky, Jerusalem and Valley fires describe the three fires as cumulatively consuming over 170,623 acres, destroying 1330 residences, 27 multi-family units, 66 commercial properties and 655 outbuildings. The devastation caused by these fires has resulted in over \$30 million in response, infrastructure and recovery costs that will flow through the County of Lake accounting systems and significantly increase the County Single Audit reporting and auditing responsibilities as a result of the State and Federal funding that will result from the Valley presidentially declared disaster. The County tax base loss for one year is estimated at over \$2 million across all agencies that receive a portion of the 1% tax; the Transient Occupancy Tax that is estimated to be lost due to the destruction of Harbin Hot Springs is \$200,000 annually; and the County cost share above and beyond State and Federal funding sources for the Valley event alone is estimated at \$1.8 million. In addition to the direct County financial impact, estimates are well over \$100 million for the site debris removal of all burned properties that has been undertaken by Cal Recycle on behalf of Lake County and over \$56 million in direct fire suppression costs.



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# COUNTY OF LAKE

## Required Supplementary Information For the Year Ended June 30, 2015

### SCHEDULE OF CHANGE IN THE NET PENSION LIABILITY AND RELATED RATIOS

#### Last 10 Fiscal Years\*

#### Schedule of Change in the Net Pension Liability and Related Ratios

	Safety June 30, 2014	Miscellaneous June 30, 2014
<b>Total Pension Liability</b>		
Service Cost	\$ 2,113,941	\$ 4,826,101
Interest on total pension liability	5,666,380	13,855,172
Benefit payments, including refunds of employee contributions	(3,639,000)	(9,114,501)
<b>Net change in total pension liability</b>	<u>4,141,321</u>	<u>9,566,772</u>
<b>Total pension liability - beginning</b>	76,314,285	186,879,842
<b>Total pension liability - ending</b>	<u>\$ 80,455,606</u>	<u>\$ 196,446,614</u>
<b>Plan fiduciary net position</b>		
Contributions- employer	\$ 1,482,762	\$ 3,778,744
Contributions- employee	781,834	2,027,657
Net investment income	9,708,850	24,523,349
Benefit payments	(3,639,000)	(9,114,501)
<b>Net change in plan fiduciary net position</b>	<u>8,334,446</u>	<u>21,215,249</u>
<b>Plan fiduciary net position - beginning</b>	56,134,109	141,926,425
<b>Plan fiduciary net position - ending</b>	<u>\$ 64,468,555</u>	<u>\$ 163,141,674</u>
Net pension liability - ending	<u>\$ 15,987,051</u>	<u>\$ 33,304,940</u>
Plan fiduciary net percentage as a percentage of the total pension liability	80.13%	83.05%
Covered - employee payroll	\$ 8,551,542	\$ 31,401,502
Net pension liability as a percentage of covered-employee payroll	186.95%	106.06%
<b>Notes to Schedule;</b>		
Valuation date:	6/30/13	6/30/13

# COUNTY OF LAKE

## Required Supplementary Information For the Year Ended June 30, 2015

### SCHEDULE OF CONTRIBUTIONS

The table below shows an analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll as of June 30:

	Safety June 30, 2014	Miscellaneous June 30, 2014
Actuarially determined contribution	\$ 1,482,762	\$ 3,915,688
Contributions related to the actuarially determined contribution	1,482,762	3,915,688
Contribution deficiency (excess)	\$ --	\$ --
County's covered-employee payroll	\$ 8,551,542	\$ 31,401,502
Contributions as a percentage of covered-employee payroll	17.34%	12.47%

\*Fiscal year 2015 was the 1st year of implementation. Additional years will be presented as they become available.

#### Notes to schedule

Valuation date: 6/30/2013 6/30/2013

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	30 years
Asset valuation method	5-year smoothed market
Inflation	2.75%
Salary increases	Varies by entry age and service
Investment rate of return	7.5%, net of pension plan investment expens
Retirement age	59 years, Misc., 54 years, Safety
Mortality	Derived using CalPERS' Membership data for all funds

### SCHEDULE OF FUNDING PROGRESS – OTHER POST-EMPLOYMENT BENEFITS

The table below presents historical analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial liability as a percentage of the annual covered payroll for the County:

Valuation Date	Projected Unit Credit Accrued Liability	Actuarial Value of Assets	Unfunded Liability (Excess Assets)	Funded Ratio	Annual Covered Payroll	UAAL as a % of Payroll
July 1, 2009	\$ 13,606,926	\$ -	\$ 13,606,926	0.00%	\$ 40,037,600	33.99%
July 1, 2011	6,395,104	-	6,395,104	0.00%	38,444,213	16.63%
July 1, 2013	8,147,482	-	8,147,482	0.00%	39,227,069	20.77%

# COUNTY OF LAKE

## Budgetary Comparison Schedule General Fund For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Resources (inflows):</b>				
Taxes	\$ 26,586,700	\$ 26,651,498	\$ 27,516,202	\$ 864,704
Licenses and permits	111,400	111,400	125,739	14,339
Fines, forfeitures and penalties	921,100	952,862	1,061,961	109,099
Use of money and property	982,104	1,062,621	504,179	(558,442)
Intergovernmental	12,589,710	12,432,197	13,197,640	765,443
Charges for services	4,280,215	4,320,115	4,083,047	(237,068)
Other revenues	(468,995)	(208,584)	805,080	1,013,664
Amounts available for appropriation	<u>45,002,234</u>	<u>45,322,109</u>	<u>47,293,848</u>	<u>1,971,739</u>
<b>Expenditures:</b>				
Current:				
General Government:				
County Counsel	793,294	823,182	733,986	89,196
Registrar of Voters	593,856	605,964	596,108	9,856
Non Departmental Revenue	113,832	118,832	1,018,858	(900,026)
Auditor-Controller	941,860	962,578	825,880	136,698
Treasurer-Tax Collector	1,118,057	1,183,870	922,750	261,120
Assessor	1,039,301	1,065,236	879,168	186,068
Central Services	103,466	132,585	84,137	48,448
Board of Supervisors	470,949	487,449	455,851	31,598
Administrative Office	527,305	581,919	542,196	39,723
Clerk to Board of Supervisor	103,436	103,436	76,488	26,948
Public Works Admin.	713,480	734,092	678,052	56,040
Information Technology	1,258,792	1,295,376	1,039,054	256,322
Engineering & Inspection	1,204,457	1,239,511	1,098,519	140,992
Human Resources	621,698	637,630	578,603	59,027
Visitor Information Center	34,383	34,383	31,590	2,793
Marketing & Economic Development	903,544	860,344	548,607	311,737
Building and Grounds	1,003,744	1,052,448	1,020,832	31,616
Plant Acquisition	1,272,386	1,547,386	463,625	1,083,761
Appropriation for contingencies	3,400,000	2,788,500	--	2,788,500
Total General Government	<u>16,217,840</u>	<u>16,254,721</u>	<u>11,594,304</u>	<u>4,660,417</u>

continued

# COUNTY OF LAKE

## Budgetary Comparison Schedule General Fund For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Public Protection:				
Probation	\$ 3,609,511	\$ 3,485,340	\$ 2,744,103	\$ 741,237
Juvenile Home	1,703,586	1,748,032	1,617,926	130,106
Jail-Medical Services	1,675,534	1,675,534	1,611,373	64,161
Trial Courts	257,397	289,159	282,875	6,284
Grand Jurors	66,457	66,457	48,204	18,253
District Attorney	3,079,720	3,143,259	3,003,466	139,793
Public Defender	1,341,286	1,541,286	1,452,966	88,320
DA/Victim-Witness Program	255,765	230,022	188,599	41,423
DA Grant Programs	411,584	421,368	349,801	71,567
Planning	1,092,090	1,103,574	1,042,558	61,016
Animal Care and Control	807,786	843,570	808,568	35,002
Emergency Services	301,394	323,023	185,243	137,780
Recorder	201,731	221,848	201,877	19,971
Sheriff-Coroner	7,461,456	7,714,046	7,305,414	408,632
Sheriff-Central Dispatch	1,202,701	1,237,452	971,259	266,193
Sheriff-Marijuana Suppression	230,708	270,708	235,478	35,230
Sheriff-Court Security	502,000	502,720	387,612	115,108
Sheriff-Marine Patrol	382,883	382,883	369,939	12,944
Sheriff-Jail Facilities	8,489,054	8,524,171	7,768,341	755,830
Agricultural Commissioner	616,601	635,945	587,179	48,766
Total Public Protection	<u>33,689,244</u>	<u>34,360,397</u>	<u>31,162,781</u>	<u>3,197,616</u>
Public Assistance:				
Senior Citizens Program	104,635	104,635	104,635	--
Veterans Services	264,017	259,582	241,670	17,912
Total Public Assistance	<u>368,652</u>	<u>364,217</u>	<u>346,305</u>	<u>17,912</u>
Education:				
UC Cooperative Extension	214,492	219,722	194,166	25,556
Total Education	<u>214,492</u>	<u>219,722</u>	<u>194,166</u>	<u>25,556</u>
Recreation and Culture:				
Museum	152,466	156,182	132,064	24,118
Parks & Recreation	1,590,322	1,729,182	1,490,435	238,747
Total Recreation and Culture	<u>1,742,788</u>	<u>1,885,364</u>	<u>1,622,499</u>	<u>262,865</u>

continued



# COUNTY OF LAKE

## Budgetary Comparison Schedule General Fund For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Capital Outlay:				
Clerk to Bd of Supervisor	\$ 11,908	\$ 11,908	\$ 3,642	\$ 8,266
Assessor	--	22,000	22,000	--
Auditor-Controller	20,800	20,800	10,055	10,745
Central Services	--	20,000	19,696	304
Treasurer-Tax Collector	--	40,000	--	40,000
Buildings & Grounds	50,000	52,962	52,924	38
Plant Aquistion	728,615	808,615	9,420	799,195
Engineering & Inspection	10,500	10,500	--	10,500
Information Technology	108,000	150,300	111,534	38,766
District Attorney	175,000	215,000	37,143	177,857
Sh-Marijuana Suppression	26,040	26,040	26,040	--
Sheriff-Central Dispatch	50,000	50,000	--	50,000
Sheriff-Coroner	35,000	35,000	32,431	2,569
Sheriff-Jail Facilities	190,000	190,000	66,030	123,970
Emergency Services	111,873	111,873	--	111,873
Parks & Recreation	1,376,472	1,462,111	196,578	1,265,533
Museum	--	14,000	--	14,000
Total Capital Outlay	<u>2,894,208</u>	<u>3,241,109</u>	<u>587,493</u>	<u>2,653,616</u>
Total expenditures	<u>55,127,224</u>	<u>56,325,530</u>	<u>45,507,548</u>	<u>10,817,982</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(10,124,990)</u>	<u>(11,003,421)</u>	<u>1,786,300</u>	<u>12,789,721</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	1,414,444	1,513,609	1,462,609	(51,000)
Transfers out	(3,108,458)	(3,921,667)	(3,846,667)	75,000
Proceeds from sale of capital assets	--	--	355	355
Total other financing sources (uses)	<u>(1,694,014)</u>	<u>(2,408,058)</u>	<u>(2,383,703)</u>	<u>24,355</u>
Net change in fund balance	(11,819,004)	(13,411,479)	(597,403)	12,814,076
Fund balances, beginning of year	<u>30,512,508</u>	<u>30,512,508</u>	<u>30,512,508</u>	<u>--</u>
Fund balances, end of year	<u>\$ 18,693,504</u>	<u>\$ 17,101,029</u>	<u>\$ 29,915,105</u>	<u>\$ 12,814,076</u>

continued

**COUNTY OF LAKE**

Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2015

**Reconciliation of Net Changes in Fund Balances - Budgetary to GAAP Basis:**

**Net Change in Fund Balances - Budgetary Basis** \$ (597,403)

The amount reported in the Governmental Funds Statement of Revenue, Expenditures and Changes in Fund Balance was different because:

Revenues from internal A87 charges are inflows of budgetary resources but are not revenues for financial reporting purposes

833,739

**Net Change in Fund Balances - Statement of Revenues, Expenditures, and Changes in Fund Balances**

\$ 236,336

**Reconciliation of Fund Balances - Budgetary to GAAP Basis:**

**Fund Balances - Ending - Budgetary Basis** \$ 29,915,105

Cumulative effect of reclassification of advances to and from other funds

833,739

**Fund Balances - Ending - Basis**

\$ 30,748,844

Indirect charges of \$1,587,172 are reported as revenues and expenditures for budgetary purposes but are eliminated for financial reporting purposes

# COUNTY OF LAKE

## Budgetary Comparison Schedule Housing Programs For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ 1,700	\$ 1,700	\$ 1,533	\$ (167)
Intergovernmental	395,276	395,276	242,075	(153,201)
Charges for services	--	--	17	17
Other revenues	125,937	125,937	5,280	(120,657)
Total revenues	<u>522,913</u>	<u>522,913</u>	<u>248,905</u>	<u>(274,008)</u>
<b>Expenditures:</b>				
Current:				
Public assistance	947,866	947,866	277,960	669,906
Total expenditures	<u>947,866</u>	<u>947,866</u>	<u>277,960</u>	<u>669,906</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(424,953)</u>	<u>(424,953)</u>	<u>(29,055)</u>	<u>395,898</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	28,886	28,886	57,310	28,424
Transfers out	--	--	(1,888)	(1,888)
Total other financing sources (uses)	<u>28,886</u>	<u>28,886</u>	<u>55,422</u>	<u>26,536</u>
Net change in fund balance	(396,067)	(396,067)	26,367	422,434
Fund balances, beginning of year	<u>5,731,474</u>	<u>5,731,474</u>	<u>5,731,474</u>	<u>--</u>
Fund balances, end of year	<u>\$ 5,335,407</u>	<u>\$ 5,335,407</u>	<u>\$ 5,757,841</u>	<u>\$ 422,434</u>
<b>Reconciliation of Net Changes in Fund Balances - Budgetary to GAAP Basis:</b>				
<b>Net Change in Fund Balances - Budgetary Basis</b>			\$ 26,367	
The amount reported in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances was different because:				
Advances to and from other funds are offset to expenditures for budgetary purposes, but are not expenditures for financial reporting purposes.			<u>(18,422)</u>	
<b>Net Change in Fund Balances - Statement of Revenues, Expenditures and Changes in Fund Balances</b>			<u>\$ 7,945</u>	
<b>Reconciliation of Fund Balances - Budgetary to GAAP Basis:</b>				
<b>Fund Balances - Ending - Budgetary Basis</b>			\$ 5,757,841	
Advances to and from other funds are offset to expenditures for budgetary purposes, but are not expenditures for financial reporting purposes.			<u>(18,422)</u>	
<b>Fund Balances - Ending - GAAP Basis</b>			<u>\$ 5,739,419</u>	

# COUNTY OF LAKE

## Budgetary Comparison Schedule Social Services For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 36,281,572	\$ 36,510,902	\$ 38,788,015	\$ 2,277,113
Charges for services	1,133,926	1,133,926	555,046	(578,880)
Other revenues	40,000	40,000	15,638	(24,362)
Total revenues	<u>37,455,498</u>	<u>37,684,828</u>	<u>39,358,699</u>	<u>1,673,871</u>
<b>Expenditures:</b>				
Current:				
Public assistance	41,179,606	41,970,653	37,706,029	4,264,624
Capital outlay	520,500	527,500	324,189	203,311
Total expenditures	<u>41,700,106</u>	<u>42,498,153</u>	<u>38,030,218</u>	<u>4,467,935</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,244,608)</u>	<u>(4,813,325)</u>	<u>1,328,481</u>	<u>6,141,806</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	445,020	25,000	21,945	(3,055)
Transfers out	(32,424)	(32,424)	(37,000)	(4,576)
Proceeds from sale of capital assets	--	--	6,116	6,116
Total other financing sources (uses)	<u>412,596</u>	<u>(7,424)</u>	<u>(8,939)</u>	<u>(1,515)</u>
Net change in fund balance	(3,832,012)	(4,820,749)	1,319,542	6,140,291
Fund balances, beginning of year	<u>4,653,903</u>	<u>4,653,903</u>	<u>4,653,903</u>	<u>--</u>
Fund balances, end of year	<u>\$ 821,891</u>	<u>\$ (166,846)</u>	<u>\$ 5,973,445</u>	<u>\$ 6,140,291</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Health Programs For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Licenses and permits	\$ 562,398	\$ 562,398	\$ 589,161	\$ 26,763
Fines and forfeitures	2,000	2,000	1,885	(115)
Use of money and property	100	100	998	898
Intergovernmental revenues	4,037,031	4,134,201	3,554,586	(579,615)
Charges for services	748,134	768,685	704,846	(63,839)
Other revenues	12,930	12,930	17,255	4,325
<b>Total Revenues</b>	<u>5,362,593</u>	<u>5,480,314</u>	<u>4,868,731</u>	<u>(611,583)</u>
<b>Expenditures</b>				
Current:				
Health and sanitation	5,684,446	5,879,117	4,878,029	1,001,088
<b>Total Expenditures</b>	<u>5,684,446</u>	<u>5,879,117</u>	<u>4,878,029</u>	<u>1,001,088</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(321,853)</u>	<u>(398,803)</u>	<u>(9,298)</u>	<u>389,505</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	128,222	128,222	128,222	--
<b>Total Other Financing Sources (Uses)</b>	<u>128,222</u>	<u>128,222</u>	<u>128,222</u>	<u>--</u>
<b>Net Change in Fund Balance</b>	(193,631)	(270,581)	118,924	389,505
<b>Fund Balance, Beginning of Year</b>	<u>222,741</u>	<u>222,741</u>	<u>222,741</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 29,110</u>	<u>\$ (47,840)</u>	<u>\$ 341,665</u>	<u>\$ 389,505</u>

## COUNTY OF LAKE

### Required Supplementary Information Note to Required Supplementary Information For the Year Ended June 30, 2015

#### **A. SCHEDULE OF FUNDING PROGRESS – OTHER-POSTEMPLOYMENT BENEFITS**

The Schedule of Funding Progress – Other Post-employment Benefits provides a consolidated snapshot of the County's ability to meet current and future liabilities with the plan assets. Of particular interest to most is the funded status ratio. This ratio conveys a plan's level of assets to liabilities, an important indicator to determine the financial health of the OPEB plan. The closer the plan is to a 100% funded status, the better position it will be in to meet all of its future liabilities.

#### **B. BUDGETARY BASIS OF ACCOUNTING**

In accordance with the provisions of Sections 29000 and 29143, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget for each fiscal year. Budgeted expenditures are enacted into law through the passage of an Appropriation Resolution. This resolution mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the County's Board of Supervisors.

The County follows these procedures annually in establishing the budgetary data reflected in the financial statements.

- (1) The County Administrative Officer submits to the Board of Supervisors a recommended budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. The recommended budget is approved by the Board prior to July 1<sup>st</sup>.
- (2) The Board of Supervisors conducts an advertised public hearing on the recommended budget to obtain comments from interested persons.
- (3) Prior to October 2, the budget is adopted through the passage of a resolution.
- (4) From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein, as proposed expenditures become appropriations to the various County departments. The Board of Supervisors may amend the budget by motion during the fiscal year. The County Administrative Officer may authorize transfers from one object to another within the same department.

Formal budgetary integration is employed as a management control device during the year. The County presents a comparison of annual budgets to actual results for the County's General and Special Revenue funds. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). The Supplementary Law Enforcement Services nonmajor special revenue fund did not have a legally adopted budget.

The County uses an encumbrance system as an extension of normal budgetary accounting for the general and other governmental funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year end are recorded as restrictions, commitments or assignments of fund balance, depending on the funding sources, since they do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end. Encumbered appropriations are rebudgeted in the ensuing year's budget.

Budgetary schedules were not prepared for the debt service funds.



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**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES**

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**NONMAJOR GOVERNMENTAL FUNDS**

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**COUNTY OF LAKE, CALIFORNIA  
NONMAJOR GOVERNMENTAL FUNDS**

**SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for revenues that are restricted by law or administrative action and expenditures for specified purposes. Nonmajor special revenue funds used by the County are listed below:

- **ROAD**  
to provide for the maintenance, repair, and reconstruction of roads and bridges within the County road system.
- **PARK DEVELOPMENT QUIMBY**  
to provide for the maintenance and development of parks.
- **COMMUNITY DEVELOPMENT**  
to account for the services to provide building and grading inspection services in the unincorporated area of Lake County.
- **GEOTHERMAL RESOURCE ROYALTIES**  
to account for the geothermal impact mitigation fees and provide funding for various projects.
- **FISH AND GAME**  
to account for the services provided for the protection and propagation of fish and game.
- **SPECIAL AVIATION**  
to account for the operation and maintenance of the County Airport at Lampson Field.
- **SPECIAL DISTRICTS ADMINISTRATION**  
to account for the administrative, labor, and overhead costs for the management of four wastewater systems, ten potable water systems, and nine lighting districts.
- **SHERIFF PROGRAMS**  
to account for the operation of the Sheriff department.
- **DISTRICT ATTORNEY PROGRAMS**  
to account for the activities of the District Attorney department.
- **LOW-MOD INCOME HOUSING**  
to account for activities of former redevelopment agency as successor agency.
- **ANIMAL CONTROL SPAY/NEUTER PROGRAMS**  
to account for operation and maintenance of the spay/neuter program.
- **SUPPLEMENTAL LAW ENFORCEMENT SERVICES**  
to account for law enforcement operations.
- **IHSS PUBLIC AUTHORITY**  
to account for the County's activities for AB 1682 mandates.
- **RECORDER PROGRAMS**  
to account for recording activities.
- **AIR QUALITY DISTRICT**  
to account for the operations of the air quality management district.
- **CDBG HOUSING PROGRAMS**  
to account for the CDBG housing program activities.

**COUNTY OF LAKE, CALIFORNIA  
NONMAJOR GOVERNMENTAL FUNDS**

**SPECIAL REVENUE FUNDS (continued)**

- **CHILD SUPPORT SERVICES**  
to account for the administrative oversight of the child support enforcement program.
- **MUSEUM**  
to account for operation and maintenance of the County museum.
- **LIBRARY**  
to account for library services in the unincorporated areas of the County.
- **LAKEBED MANAGEMENT**  
to account for the activities to support the purposes of the State trust on Clearlake.
- **KELSEYVILLE WATERWORKS DISTRICT**  
to account for the operation and maintenance of the Kelseyville area wastewater and potable water system.
- **BEHAVIORAL HEALTH PROGRAMS**  
to account for mental health services of the County.
- **LAKE COUNTY HOUSING COMMISSION**  
to account for the County Housing Commission activities.
- **WATERSHED PROTECTION DISTRICTS**  
to account for the watershed protection activities of the County.
- **COUNTY SERVICE AREAS**  
to account for the street lighting, public protection, health and sanitation, recreation and culture, public ways, and water utilities services provided by county service area districts in the unincorporated areas of the County.
- **LIGHTING DISTRICTS**  
to account for the street lighting activities of the various lighting districts of the County.
- **SHERIFF MOTOR POOL**  
to account for Sheriff's Department motor pool activity.
- **SANITATION DISTRICTS**  
to account for the engineering, administration, and operational services of the various sanitation districts of the County.

**COUNTY OF LAKE, CALIFORNIA  
NONMAJOR GOVERNMENTAL FUNDS**

**DEBT SERVICE FUNDS**

Debt Service Funds are used to account for accumulation of resources for, and payment of, principal and interest on the County's general long-term debt. Nonmajor debt service funds of the County are listed below:

- **SANITATION IMPROVEMENT DISTRICTS**  
to account for the accumulation of resources and payment of principal and interest for debt of sanitation improvement districts.
- **LACOSAN ASSESSMENT DISTRICTS**  
to account for the accumulation of resources and payment of principal and interest for debt of LACOSAN assessment districts.
- **COUNTY SERVICE AREA IMPROVEMENT DISTRICTS**  
to account for the accumulation of resources and payment of principal and interest for debt of County service area improvement districts.
- **USDA RUS LOANS**  
to account for the accumulation of resources and payment of principal and interest for debt of the Kelseyville and Finley districts.
- **GEYSERS PIPELINE**  
to account for the accumulation of resources and payment to principal and interest for the Geysers Pipeline project.

**CAPITAL PROJECTS**

Capital Projects Funds are used to account for financial resources to be used for the acquisition of land or acquisition and construction of major facilities other than those financed by the proprietary fund types. Nonmajor capital projects funds are listed below:

- **CAPITAL PROJECTS – CDBG**  
to account for CDBG projects.
- **GEYSER'S PIPELINE**  
to account for the Geyser pipeline construction.
- **ROAD IMPROVEMENT PROJECTS**  
to account for road project costs.
- **SPECIAL PROJECTS**  
to account for special projects.
- **ANIMAL CONTROL**  
to account for animal control activities.
- **LAMPSON AIRPORT CAPITAL PROJECTS**  
to account for capital projects at Lampson Airport.

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# COUNTY OF LAKE

## Combining Balance Sheet Nonmajor Governmental Funds June 30, 2015

	Special Revenue Funds			
	Road	Park Development Quimby	Community Development	Geothermal Resource Royalties
<b>Assets:</b>				
Cash and investments	\$ 8,116,454	\$ 224,143	\$ 394,106	\$ 1,489,379
Imprest cash	--	--	75	--
Cash with fiscal agent	--	--	--	--
Accounts receivable	--	--	--	54,969
Due from other governments	--	--	--	--
Interest receivable	6,525	--	--	--
Advances to other funds	--	--	--	23,135
Inventory	135,274	--	--	--
Loans receivable	--	--	--	--
Total Assets	<u>\$ 8,258,253</u>	<u>\$ 224,143</u>	<u>\$ 394,181</u>	<u>\$ 1,567,483</u>
<b>Liabilities:</b>				
Accounts payable	\$ 110,125	\$ --	\$ 326	\$ 201,304
Salaries and benefits payable	209,131	--	47,304	--
Deposits payable	--	--	--	--
Unearned revenue	--	--	--	--
Advance from other funds	--	--	--	--
Total Liabilities	<u>319,256</u>	<u>--</u>	<u>47,630</u>	<u>201,304</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenue	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Fund Balances:</b>				
Nonspendable	135,274	--	--	--
Restricted	7,803,723	224,143	346,551	1,366,179
Assigned	--	--	--	--
Total Fund Balances	<u>7,938,997</u>	<u>224,143</u>	<u>346,551</u>	<u>1,366,179</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 8,258,253</u>	<u>\$ 224,143</u>	<u>\$ 394,181</u>	<u>\$ 1,567,483</u>

continued

# COUNTY OF LAKE

## Combining Balance Sheet (continued) Nonmajor Governmental Funds June 30, 2015

	Special Revenue Funds			
	Fish and Game	Special Aviation	Special Districts Administration	Sheriff Programs
<b>Assets:</b>				
Cash and investments	\$ 35,851	\$ 35,184	\$ 1,105,135	\$ 2,611,085
Imprest cash	--	--	400	--
Cash with fiscal agent	--	--	--	--
Accounts receivable	--	--	8,201	11,025
Due from other governments	--	--	--	--
Interest receivable	--	--	--	--
Advances to other funds	--	--	--	--
Inventory	--	--	--	--
Loans receivable	--	--	--	--
Total Assets	<u>\$ 35,851</u>	<u>\$ 35,184</u>	<u>\$ 1,113,736</u>	<u>\$ 2,622,110</u>
<b>Liabilities:</b>				
Accounts payable	\$ --	\$ 124	\$ 102,997	\$ 1,661
Salaries and benefits payable	--	895	313,724	--
Deposits payable	--	--	--	--
Unearned revenue	--	--	--	--
Advance from other funds	10,000	--	--	--
Total Liabilities	<u>10,000</u>	<u>1,019</u>	<u>416,721</u>	<u>1,661</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenue	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Fund Balances:</b>				
Nonspendable	--	--	--	--
Restricted	25,851	34,165	697,015	2,620,449
Assigned	--	--	--	--
Total Fund Balances	<u>25,851</u>	<u>34,165</u>	<u>697,015</u>	<u>2,620,449</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 35,851</u>	<u>\$ 35,184</u>	<u>\$ 1,113,736</u>	<u>\$ 2,622,110</u>

continued

# COUNTY OF LAKE

## Combining Balance Sheet (continued) Nonmajor Governmental Funds June 30, 2015

	Special Revenue Funds		
	District Attorney Programs	Animal Control Spay/Neuter Programs	Supplemental Law Enforcement Services
<b>Assets:</b>			
Cash and investments	\$ 147,907	\$ 16,922	\$ 5
Imprest cash	--	--	--
Cash with fiscal agent	--	--	--
Accounts receivable	--	--	--
Due from other governments	--	--	--
Interest receivable	--	--	--
Advances to other funds	--	--	--
Inventory	--	--	--
Loans receivable	--	--	--
Total Assets	<u>\$ 147,907</u>	<u>\$ 16,922</u>	<u>\$ 5</u>
<b>Liabilities:</b>			
Accounts payable	\$ --	\$ 22	\$ --
Salaries and benefits payable	--	--	--
Deposits payable	--	--	--
Unearned revenue	--	--	--
Advance from other funds	--	--	--
Total Liabilities	<u>--</u>	<u>22</u>	<u>--</u>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenue	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>
<b>Fund Balances:</b>			
Nonspendable	--	--	--
Restricted	147,907	16,900	5
Assigned	--	--	--
Total Fund Balances	<u>147,907</u>	<u>16,900</u>	<u>5</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>\$ 147,907</u>	 <u>\$ 16,922</u>	 <u>\$ 5</u>

**COUNTY OF LAKE**

Combining Balance Sheet (continued)  
Nonmajor Governmental Funds  
June 30, 2015

	Special Revenue Funds			
	IHSS Public Authority	Recorder Programs	Air Quality District	CDBG Housing Programs
<b>Assets:</b>				
Cash and investments	\$ --	\$ 1,646,750	\$ 334,313	\$ 190,627
Imprest cash	--	--	--	--
Cash with fiscal agent	--	--	--	--
Accounts receivable	--	--	--	--
Due from other governments	--	--	--	--
Interest receivable	--	--	--	--
Advances to other funds	--	--	--	--
Inventory	--	--	--	--
Loans receivable	--	--	--	835,612
Total Assets	<u>\$ --</u>	<u>\$ 1,646,750</u>	<u>\$ 334,313</u>	<u>\$ 1,026,239</u>
<b>Liabilities:</b>				
Accounts payable	\$ --	\$ 20	\$ 8,623	\$ --
Salaries and benefits payable	--	949	40,480	--
Deposits payable	--	--	--	--
Unearned revenue	--	--	--	--
Advance from other funds	--	--	--	--
Total Liabilities	<u>--</u>	<u>969</u>	<u>49,103</u>	<u>--</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenue	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Fund Balances:</b>				
Nonspendable	--	--	--	--
Restricted	--	1,645,781	285,210	1,026,239
Assigned	--	--	--	--
Total Fund Balances	<u>--</u>	<u>1,645,781</u>	<u>285,210</u>	<u>1,026,239</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ --</u>	<u>\$ 1,646,750</u>	<u>\$ 334,313</u>	<u>\$ 1,026,239</u>

continued

**COUNTY OF LAKE**

Combining Balance Sheet (continued)  
Nonmajor Governmental Funds  
June 30, 2015

	Special Revenue Funds			
	Child Support Services	Museum	Library	Lakebed Management
<b>Assets:</b>				
Cash and investments	\$ 291,071	\$ 24,017	\$ 334,169	\$ 178,705
Imprest cash	50	--	80	--
Cash with fiscal agent	--	--	--	--
Accounts receivable	--	--	--	--
Due from other governments	--	--	--	--
Interest receivable	--	--	--	--
Advances to other funds	--	--	--	--
Inventory	--	--	--	--
Loans receivable	--	--	--	--
Total Assets	<u>\$ 291,121</u>	<u>\$ 24,017</u>	<u>\$ 334,249</u>	<u>\$ 178,705</u>
<b>Liabilities:</b>				
Accounts payable	\$ 9,511	\$ --	\$ 12,825	\$ 4,593
Salaries and benefits payable	200,282	--	61,777	--
Deposits payable	--	--	--	--
Unearned revenue	--	--	--	--
Advance from other funds	--	--	--	--
Total Liabilities	<u>209,793</u>	<u>--</u>	<u>74,602</u>	<u>4,593</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenue	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Fund Balances:</b>				
Nonspendable	--	--	--	--
Restricted	81,328	24,017	259,647	174,112
Assigned	--	--	--	--
Total Fund Balances	<u>81,328</u>	<u>24,017</u>	<u>259,647</u>	<u>174,112</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>\$ 291,121</u>	 <u>\$ 24,017</u>	 <u>\$ 334,249</u>	 <u>\$ 178,705</u>

continued

# COUNTY OF LAKE

## Combining Balance Sheet (continued) Nonmajor Governmental Funds June 30, 2015

	Special Revenue Funds			
	Kelseyville Waterworks District	Behavioral Health Programs	Lake County Housing Commission	Watershed Protection Districts
<b>Assets:</b>				
Cash and investments	\$ 830,606	\$ 5,547,046	\$ 228,889	\$ 2,314,216
Imprest cash	--	830	--	--
Cash with fiscal agent	--	--	--	--
Accounts receivable	--	810,284	17,584	--
Due from other governments	--	4,590	--	--
Interest receivable	--	--	--	--
Advances to other funds	--	--	345,647	--
Inventory	--	--	--	--
Loans receivable	--	--	687,956	--
Total Assets	<u>\$ 830,606</u>	<u>\$ 6,362,750</u>	<u>\$ 1,280,076</u>	<u>\$ 2,314,216</u>
<b>Liabilities:</b>				
Accounts payable	\$ 6,208	\$ 356,189	\$ 19,980	\$ 120,394
Salaries and benefits payable	--	568,933	--	41,189
Deposits payable	--	--	74,748	--
Unearned revenue	--	--	--	--
Advance from other funds	--	--	--	--
Total Liabilities	<u>6,208</u>	<u>925,122</u>	<u>94,728</u>	<u>161,583</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenue	--	4,590	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>4,590</u>	<u>--</u>	<u>--</u>
<b>Fund Balances:</b>				
Nonspendable	--	--	--	--
Restricted	824,398	5,433,038	1,185,348	2,152,633
Assigned	--	--	--	--
Total Fund Balances	<u>824,398</u>	<u>5,433,038</u>	<u>1,185,348</u>	<u>2,152,633</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 830,606</u>	<u>\$ 6,362,750</u>	<u>\$ 1,280,076</u>	<u>\$ 2,314,216</u>

continued

# COUNTY OF LAKE

## Combining Balance Sheet (continued) Nonmajor Governmental Funds June 30, 2015

	Special Revenue Funds			
	County Service Areas	Lighting Districts	Sheriff Motor Pool	Sanitation Districts
<b>Assets:</b>				
Cash and investments	\$ 4,318,643	\$ 432,957	\$ 1,967,998	\$ 4,479,772
Imprest cash	--	--	--	--
Cash with fiscal agent	--	--	--	320,920
Accounts receivable	79,193	--	--	141,202
Due from other governments	--	--	--	--
Interest receivable	--	--	--	--
Advances to other funds	--	--	--	--
Inventory	--	--	--	--
Loans receivable	--	--	--	--
Total Assets	<u>\$ 4,397,836</u>	<u>\$ 432,957</u>	<u>\$ 1,967,998</u>	<u>\$ 4,941,894</u>
<b>Liabilities:</b>				
Accounts payable	\$ 72,653	\$ --	\$ --	\$ 158,109
Salaries and benefits payable	--	--	--	--
Deposits payable	--	--	--	47,811
Unearned revenue	--	--	--	--
Advance from other funds	341,142	--	--	--
Total Liabilities	<u>413,795</u>	<u>--</u>	<u>--</u>	<u>205,920</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenue	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Fund Balances:</b>				
Nonspendable	--	--	--	--
Restricted	3,984,041	432,957	1,967,998	4,735,974
Assigned	--	--	--	--
Total Fund Balances	<u>3,984,041</u>	<u>432,957</u>	<u>1,967,998</u>	<u>4,735,974</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 4,397,836</u>	<u>\$ 432,957</u>	<u>\$ 1,967,998</u>	<u>\$ 4,941,894</u>

continued

# COUNTY OF LAKE

## Combining Balance Sheet (continued) Nonmajor Governmental Funds June 30, 2015

	Debt Service Funds		
	Sanitation Improvement Districts	LACOSAN Assessment Districts	County Service Area Improvement Districts
<b>Assets:</b>			
Cash and investments	\$ 36,239	\$ 1,721,061	\$ 1,201,914
Imprest cash	--	--	--
Cash with fiscal agent	--	--	--
Accounts receivable	--	--	--
Due from other governments	--	--	--
Interest receivable	--	--	--
Advances to other funds	--	--	--
Inventory	--	--	--
Loans receivable	--	--	--
Total Assets	<u>\$ 36,239</u>	<u>\$ 1,721,061</u>	<u>\$ 1,201,914</u>
<b>Liabilities:</b>			
Accounts payable	\$ --	\$ --	\$ --
Salaries and benefits payable	--	--	--
Deposits payable	--	--	--
Unearned revenue	--	--	--
Advance from other funds	--	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenue	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>
<b>Fund Balances:</b>			
Nonspendable	--	--	--
Restricted	36,239	1,721,061	1,201,914
Assigned	--	--	--
Total Fund Balances	<u>36,239</u>	<u>1,721,061</u>	<u>1,201,914</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>\$ 36,239</u>	 <u>\$ 1,721,061</u>	 <u>\$ 1,201,914</u>

continued



# COUNTY OF LAKE

## Combining Balance Sheet (continued) Nonmajor Governmental Funds June 30, 2015

	Debt Service Funds		Capital Project Funds		
	USDA RUS Loans	Geyser Pipeline	Public Safety Facilities	Geyser's Pipeline	Road Impr Projects
<b>Assets:</b>					
Cash and investments	\$ 1,334,258	\$ 3,993,975	\$ 3,175,636	\$ 547,156	\$ 383,235
Imprest cash	--	--	--	--	--
Cash with fiscal agent	--	--	--	--	--
Accounts receivable	--	--	--	--	--
Due from other governments	--	--	--	--	--
Interest receivable	--	--	--	--	--
Advances to other funds	--	--	--	--	--
Inventory	--	--	--	--	--
Loans receivable	--	--	--	--	--
Total Assets	<u>\$ 1,334,258</u>	<u>\$ 3,993,975</u>	<u>\$ 3,175,636</u>	<u>\$ 547,156</u>	<u>\$ 383,235</u>
<b>Liabilities:</b>					
Accounts payable	\$ --	\$ --	\$ --	\$ --	\$ --
Salaries and benefits payable	--	--	--	--	--
Deposits payable	--	--	--	--	--
Unearned revenue	--	--	--	547,156	383,235
Advance from other funds	--	--	1,500,000	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>1,500,000</u>	<u>547,156</u>	<u>383,235</u>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue	--	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Fund Balances:</b>					
Nonspendable	--	--	--	--	--
Restricted	1,334,258	3,993,975	--	--	--
Assigned	--	--	1,675,636	--	--
Total Fund Balances	<u>1,334,258</u>	<u>3,993,975</u>	<u>1,675,636</u>	<u>--</u>	<u>--</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,334,258</u>	<u>\$ 3,993,975</u>	<u>\$ 3,175,636</u>	<u>\$ 547,156</u>	<u>\$ 383,235</u>

continued

# COUNTY OF LAKE

## Combining Balance Sheet (continued) Nonmajor Governmental Funds June 30, 2015

	Capital Project Funds			
	Special Projects	Animal Control	Lampson Airport Capital Projects -	Totals
<b>Assets:</b>				
Cash and investments	\$ 2,263,362	\$ 13,277	\$ 62,730	\$ 52,028,793
Imprest cash	--	--	--	1,435
Cash with fiscal agent	--	--	--	320,920
Accounts receivable	--	--	--	1,122,458
Due from other governments	--	--	--	4,590
Interest receivable	--	--	--	6,525
Advances to other funds	--	--	--	368,782
Inventory	--	--	--	135,274
Loans receivable	--	--	--	1,523,568
Total Assets	<u>\$ 2,263,362</u>	<u>\$ 13,277</u>	<u>\$ 62,730</u>	<u>\$ 55,512,345</u>
<b>Liabilities:</b>				
Accounts payable	\$ 27,585	\$ --	\$ --	\$ 1,213,249
Salaries and benefits payable	--	--	--	1,484,664
Deposits payable	--	--	--	122,559
Unearned revenue	--	--	--	930,391
Advance from other funds	--	--	--	1,851,142
Total Liabilities	<u>27,585</u>	<u>--</u>	<u>--</u>	<u>5,602,005</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenue	--	--	--	4,590
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>4,590</u>
<b>Fund Balances:</b>				
Nonspendable	--	--	--	135,274
Restricted	--	13,277	62,730	45,859,063
Assigned	2,235,777	--	--	3,911,413
Total Fund Balances	<u>2,235,777</u>	<u>13,277</u>	<u>62,730</u>	<u>49,905,750</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,263,362</u>	<u>\$ 13,277</u>	<u>\$ 62,730</u>	<u>\$ 55,512,345</u>

# COUNTY OF LAKE

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended June 30, 2015

	Special Revenue Funds			
	Road	Park Development Quimby	Community Development	Geothermal Resource Royalties
<b>Revenues:</b>				
Taxes	\$ 726,754	\$ --	\$ 1,462	\$ --
Licenses and permits	100,764	--	341,608	--
Fines and forfeitures	267	--	1,703	--
Use of money and property	27,379	821	1,447	4,636
Intergovernmental	6,734,472	--	--	1,654,087
Charges for services	333,296	3,393	189,833	--
Other revenues	1,311	--	171	3,033
<b>Total Revenues</b>	<b>7,924,243</b>	<b>4,214</b>	<b>536,224</b>	<b>1,661,756</b>
<b>Expenditures:</b>				
Current:				
General government	--	--	--	650,990
Public protection	--	--	711,987	--
Public ways and facilities	4,750,267	--	--	--
Health and sanitation	--	--	--	--
Public assistance	--	--	--	--
Education	--	--	--	--
Recreation and culture	--	--	--	--
Debt Service:				
Principal	--	--	--	--
Interest	--	--	--	--
Capital outlay	2,589,570	--	--	--
<b>Total Expenditures</b>	<b>7,339,837</b>	<b>--</b>	<b>711,987</b>	<b>650,990</b>
Excess of Revenues Over (Under) Expenditures	584,406	4,214	(175,763)	1,010,766
<b>Other Financing Sources (Uses):</b>				
Transfers in	53,500	--	107,229	--
Transfers out	--	--	--	(1,230,589)
Proceeds from sale of capital assets	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>53,500</b>	<b>--</b>	<b>107,229</b>	<b>(1,230,589)</b>
<b>Net Change in Fund Balances</b>	<b>637,906</b>	<b>4,214</b>	<b>(68,534)</b>	<b>(219,823)</b>
<b>Fund Balances, Beginning of Year</b>	<b>7,301,091</b>	<b>219,929</b>	<b>415,085</b>	<b>1,586,002</b>
<b>Fund Balances, End of Year</b>	<b>\$ 7,938,997</b>	<b>\$ 224,143</b>	<b>\$ 346,551</b>	<b>\$ 1,366,179</b>

continued

# COUNTY OF LAKE

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued) Nonmajor Governmental Funds For the Year Ended June 30, 2015

	Special Revenue Funds			
	Fish and Game	Special Aviation	Special Districts Administration	Sheriff Programs
<b>Revenues:</b>				
Taxes	\$ 61,862	\$ 27	\$ --	\$ --
Licenses and permits	--	--	--	--
Fines and forfeitures	3,142	--	--	214,695
Use of money and property	196	35,824	2,333	11,681
Intergovernmental	824	10,000	152,666	753,856
Charges for services	--	--	3,911,776	59,552
Other revenues	--	500	309	174,664
<b>Total Revenues</b>	<u>66,024</u>	<u>46,351</u>	<u>4,067,084</u>	<u>1,214,448</u>
<b>Expenditures:</b>				
Current:				
General government	--	--	--	--
Public protection	103,124	--	--	896,562
Public ways and facilities	--	63,733	3,972,284	--
Health and sanitation	--	--	--	--
Public assistance	--	--	--	--
Education	--	--	--	--
Recreation and culture	--	--	--	--
Debt Service:				
Principal	--	--	--	--
Interest	--	--	--	--
Capital outlay	--	--	232,952	154,000
<b>Total Expenditures</b>	<u>103,124</u>	<u>63,733</u>	<u>4,205,236</u>	<u>1,050,562</u>
Excess of Revenues Over (Under) Expenditures	<u>(37,100)</u>	<u>(17,382)</u>	<u>(138,152)</u>	<u>163,886</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	20,813	31,125	--	--
Transfers out	--	(9,000)	--	(600,000)
Proceeds from sale of capital assets	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>20,813</u>	<u>22,125</u>	<u>--</u>	<u>(600,000)</u>
<b>Net Change in Fund Balances</b>	<u>(16,287)</u>	<u>4,743</u>	<u>(138,152)</u>	<u>(436,114)</u>
<b>Fund Balances, Beginning of Year</b>	<u>42,138</u>	<u>29,422</u>	<u>835,167</u>	<u>3,056,563</u>
<b>Fund Balances, End of Year</b>	<u>\$ 25,851</u>	<u>\$ 34,165</u>	<u>\$ 697,015</u>	<u>\$ 2,620,449</u>

continued

# COUNTY OF LAKE

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued) Nonmajor Governmental Funds For the Year Ended June 30, 2015

	Special Revenue Funds		
	District Attorney Programs	Animal Control Spay/Neuter Programs	Supplemental Law Enforcement Services
<b>Revenues:</b>			
Taxes	\$ --	\$ --	\$ --
Licenses and permits	--	8,025	--
Fines and forfeitures	115,237	--	--
Use of money and property	320	--	17
Intergovernmental	5,045	6,726	550,357
Charges for services	6,095	71,075	--
Other revenues	--	16,606	--
<b>Total Revenues</b>	<u>126,697</u>	<u>102,432</u>	<u>550,374</u>
<b>Expenditures:</b>			
Current:			
General government	--	--	--
Public protection	36,146	161,991	550,379
Public ways and facilities	--	--	--
Health and sanitation	--	--	--
Public assistance	--	--	--
Education	--	--	--
Recreation and culture	--	--	--
Debt Service:			
Principal	--	--	--
Interest	--	--	--
Capital outlay	--	--	--
<b>Total Expenditures</b>	<u>36,146</u>	<u>161,991</u>	<u>550,379</u>
Excess of Revenues Over (Under) Expenditures	<u>90,551</u>	<u>(59,559)</u>	<u>(5)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	--	73,000	--
Transfers out	--	--	--
Proceeds from sale of capital assets	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>73,000</u>	<u>--</u>
<b>Net Change in Fund Balances</b>	90,551	13,441	(5)
<b>Fund Balances, Beginning of Year</b>	<u>57,356</u>	<u>3,459</u>	<u>10</u>
<b>Fund Balances, End of Year</b>	<u>\$ 147,907</u>	<u>\$ 16,900</u>	<u>\$ 5</u>

# COUNTY OF LAKE

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued) Nonmajor Governmental Funds For the Year Ended June 30, 2015

	Special Revenue Funds			
	IHSS Public Authority	Recorder Programs	Air Quality District	CDBG Housing Programs
<b>Revenues:</b>				
Taxes	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	472,992	--
Fines and forfeitures	--	--	36,896	--
Use of money and property	--	5,800	3,577	577
Intergovernmental	179,520	--	122,705	--
Charges for services	21,945	117,234	4,055	--
Other revenues	--	--	29,941	73,861
<b>Total Revenues</b>	<u>201,465</u>	<u>123,034</u>	<u>670,166</u>	<u>74,438</u>
<b>Expenditures:</b>				
Current:				
General government	--	--	--	--
Public protection	--	101,954	--	--
Public ways and facilities	--	--	546,950	--
Health and sanitation	--	--	--	--
Public assistance	179,520	--	--	157,748
Education	--	--	--	--
Recreation and culture	--	--	--	--
Debt Service:				
Principal	--	--	--	--
Interest	--	--	--	--
Capital outlay	--	5,881	957,307	--
<b>Total Expenditures</b>	<u>179,520</u>	<u>107,835</u>	<u>1,504,257</u>	<u>157,748</u>
Excess of Revenues Over (Under) Expenditures	<u>21,945</u>	<u>15,199</u>	<u>(834,091)</u>	<u>(83,310)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	--	--	--	--
Transfers out	(21,945)	(10,000)	--	--
Proceeds from sale of capital assets	--	--	2,850	--
<b>Total Other Financing Sources (Uses)</b>	<u>(21,945)</u>	<u>(10,000)</u>	<u>2,850</u>	<u>--</u>
<b>Net Change in Fund Balances</b>	--	5,199	(831,241)	(83,310)
<b>Fund Balances, Beginning of Year</b>	<u>--</u>	<u>1,640,582</u>	<u>1,116,451</u>	<u>1,109,549</u>
<b>Fund Balances, End of Year</b>	<u>\$ --</u>	<u>\$ 1,645,781</u>	<u>\$ 285,210</u>	<u>\$ 1,026,239</u>

continued

# COUNTY OF LAKE

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued) Nonmajor Governmental Funds For the Year Ended June 30, 2015

	Special Revenue Funds			
	Child Support Services	Museum	Library	Lakebed Management
<b>Revenues:</b>				
Taxes	\$ --	\$ --	\$ 750,794	\$ --
Licenses and permits	--	--	--	18,341
Fines and forfeitures	--	--	8	--
Use of money and property	1,124	101	11,140	661
Intergovernmental	2,277,758	--	83,301	--
Charges for services	--	--	24,034	--
Other revenues	57	--	27,515	162,700
<b>Total Revenues</b>	<u>2,278,939</u>	<u>101</u>	<u>896,792</u>	<u>181,702</u>
<b>Expenditures:</b>				
Current:				
General government	--	--	--	112,006
Public protection	2,348,552	--	--	--
Public ways and facilities	--	--	--	--
Health and sanitation	--	--	--	--
Public assistance	--	--	--	--
Education	--	--	990,054	--
Recreation and culture	--	2,708	--	--
Debt Service:				
Principal	--	--	--	--
Interest	--	--	--	--
Capital outlay	--	--	--	--
<b>Total Expenditures</b>	<u>2,348,552</u>	<u>2,708</u>	<u>990,054</u>	<u>112,006</u>
Excess of Revenues Over (Under) Expenditures	<u>(69,613)</u>	<u>(2,607)</u>	<u>(93,262)</u>	<u>69,696</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	--	--	106,000	--
Transfers out	--	--	--	--
Proceeds from sale of capital assets	456	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>456</u>	<u>--</u>	<u>106,000</u>	<u>--</u>
<b>Net Change in Fund Balances</b>	<u>(69,157)</u>	<u>(2,607)</u>	<u>12,738</u>	<u>69,696</u>
<b>Fund Balances, Beginning of Year</b>	<u>150,485</u>	<u>26,624</u>	<u>246,909</u>	<u>104,416</u>
<b>Fund Balances, End of Year</b>	<u>\$ 81,328</u>	<u>\$ 24,017</u>	<u>\$ 259,647</u>	<u>\$ 174,112</u>

continued

# COUNTY OF LAKE

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued) Nonmajor Governmental Funds For the Year Ended June 30, 2015

	Special Revenue Funds			
	Kelseyville Waterworks District	Behavioral Health Programs	Lake County Housing Commission	Watershed Protection Districts
<b>Revenues:</b>				
Taxes	\$ 98,329	\$ --	\$ --	\$ 577,715
Licenses and permits	--	--	--	43,036
Fines and forfeitures	--	15,908	--	4,726
Use of money and property	3,393	16,138	180	14,356
Intergovernmental	1,262	13,400,646	1,600,508	157,720
Charges for services	816,248	235,409	257,341	560,835
Other revenues	7,314	45,739	18,603	2,009
<b>Total Revenues</b>	<u>926,546</u>	<u>13,713,840</u>	<u>1,876,632</u>	<u>1,360,397</u>
<b>Expenditures:</b>				
Current:				
General government	--	--	--	--
Public protection	--	--	--	1,088,502
Public ways and facilities	797,068	--	--	--
Health and sanitation	--	11,744,051	--	--
Public assistance	--	--	1,939,172	--
Education	--	--	--	--
Recreation and culture	--	--	--	--
Debt Service:				
Principal	--	--	--	--
Interest	--	--	--	--
Capital outlay	155,309	271,926	--	180,537
<b>Total Expenditures</b>	<u>952,377</u>	<u>12,015,977</u>	<u>1,939,172</u>	<u>1,269,039</u>
Excess of Revenues Over (Under) Expenditures	<u>(25,831)</u>	<u>1,697,863</u>	<u>(62,540)</u>	<u>91,358</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	--	61,112	--	50,299
Transfers out	--	--	--	--
Proceeds from sale of capital assets	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>61,112</u>	<u>--</u>	<u>50,299</u>
<b>Net Change in Fund Balances</b>	<u>(25,831)</u>	<u>1,758,975</u>	<u>(62,540)</u>	<u>141,657</u>
<b>Fund Balances, Beginning of Year</b>	<u>850,229</u>	<u>3,674,063</u>	<u>1,247,888</u>	<u>2,010,976</u>
<b>Fund Balances, End of Year</b>	<u>\$ 824,398</u>	<u>\$ 5,433,038</u>	<u>\$ 1,185,348</u>	<u>\$ 2,152,633</u>

continued



# COUNTY OF LAKE

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued) Nonmajor Governmental Funds For the Year Ended June 30, 2015

	Special Revenue Funds			
	County Service Areas	Lighting Districts	Sheriff Motor Pool	Sanitation Districts
<b>Revenues:</b>				
Taxes	\$ 243,029	\$ 84,810	\$ --	\$ --
Licenses and permits	--	--	--	--
Fines and forfeitures	9,705	46	--	66,889
Use of money and property	15,863	1,553	--	17,704
Intergovernmental	255,119	1,240	--	--
Charges for services	2,093,508	2,677	181,715	6,133,266
Other revenues	6,270	--	8,293	66,363
<b>Total Revenues</b>	<u>2,623,494</u>	<u>90,326</u>	<u>190,008</u>	<u>6,284,222</u>
<b>Expenditures:</b>				
Current:				
General government	--	--	--	--
Public protection	--	--	--	--
Public ways and facilities	1,756,271	83,061	--	--
Health and sanitation	--	--	--	5,413,126
Public assistance	--	--	--	--
Education	--	--	--	--
Recreation and culture	--	--	--	--
Debt Service:				
Principal	--	--	--	--
Interest	--	--	--	--
Capital outlay	282,317	--	26,859	897,233
<b>Total Expenditures</b>	<u>2,038,588</u>	<u>83,061</u>	<u>26,859</u>	<u>6,310,359</u>
Excess of Revenues Over (Under) Expenditures	<u>584,906</u>	<u>7,265</u>	<u>163,149</u>	<u>(26,137)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	--	--	--	--
Transfers out	(83,500)	--	--	--
Proceeds from sale of capital assets	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>(83,500)</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Net Change in Fund Balances</b>	501,406	7,265	163,149	(26,137)
<b>Fund Balances, Beginning of Year</b>	<u>3,482,635</u>	<u>425,692</u>	<u>1,804,849</u>	<u>4,762,111</u>
<b>Fund Balances, End of Year</b>	<u>\$ 3,984,041</u>	<u>\$ 432,957</u>	<u>\$ 1,967,998</u>	<u>\$ 4,735,974</u>

continued

# COUNTY OF LAKE

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued) Nonmajor Governmental Funds For the Year Ended June 30, 2015

	Debt Service Funds		
	Sanitation Improvement Districts	LACOSAN Assessment Districts	County Service Area Improvement Districts
<b>Revenues:</b>			
Taxes	\$ 8,910	\$ 45,319	\$ --
Licenses and permits	--	--	--
Fines and forfeitures	4,308	8,194	14,678
Use of money and property	271	5,359	3,985
Intergovernmental	--	--	--
Charges for services	--	371,073	534,106
Other revenues	--	--	--
<b>Total Revenues</b>	<u>13,489</u>	<u>429,945</u>	<u>552,769</u>
<b>Expenditures:</b>			
Current:			
General government	--	--	--
Public protection	--	--	--
Public ways and facilities	--	--	--
Health and sanitation	--	--	--
Public assistance	--	--	--
Education	--	--	--
Recreation and culture	--	--	--
Debt Service:			
Principal	75,000	145,000	476,551
Interest	2,262	245,206	77,570
Capital outlay	--	--	--
<b>Total Expenditures</b>	<u>77,262</u>	<u>390,206</u>	<u>554,121</u>
Excess of Revenues Over (Under) Expenditures	<u>(63,773)</u>	<u>39,739</u>	<u>(1,352)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	--	--	30,000
Transfers out	--	--	--
Proceeds from sale of capital assets	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>30,000</u>
<b>Net Change in Fund Balances</b>	<u>(63,773)</u>	<u>39,739</u>	<u>28,648</u>
<b>Fund Balances, Beginning of Year</b>	<u>100,012</u>	<u>1,681,322</u>	<u>1,173,266</u>
<b>Fund Balances, End of Year</b>	<u>\$ 36,239</u>	<u>\$ 1,721,061</u>	<u>\$ 1,201,914</u>

continued

# COUNTY OF LAKE

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued) Nonmajor Governmental Funds For the Year Ended June 30, 2015

	Debt Service Funds		Capital Project Funds		
	USDA RUS Loans	Geyser Pipeline	Public Safety Facilities	Geyser's Pipeline	Road Impr Projects
<b>Revenues:</b>					
Taxes	\$ --	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	--	--	--
Fines and forfeitures	--	--	--	--	--
Use of money and property	4,773	15,350	--	--	--
Intergovernmental	--	--	150,000	--	--
Charges for services	295,054	1,101,223	--	--	--
Other revenues	--	--	--	--	--
<b>Total Revenues</b>	<u>299,827</u>	<u>1,116,573</u>	<u>150,000</u>	<u>--</u>	<u>--</u>
<b>Expenditures:</b>					
Current:					
General government	--	--	324,364	--	--
Public protection	--	--	--	--	--
Public ways and facilities	--	--	--	--	--
Health and sanitation	--	--	--	--	--
Public assistance	--	--	--	--	--
Education	--	--	--	--	--
Recreation and culture	--	--	--	--	--
Debt Service:					
Principal	105,477	854,829	--	--	--
Interest	120,037	155,215	--	--	--
Capital outlay	--	--	--	--	--
<b>Total Expenditures</b>	<u>225,514</u>	<u>1,010,044</u>	<u>324,364</u>	<u>--</u>	<u>--</u>
Excess of Revenues Over (Under) Expenditures	<u>74,313</u>	<u>106,529</u>	<u>(174,364)</u>	<u>--</u>	<u>--</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	--	--	1,200,000	--	--
Transfers out	--	--	--	--	--
Proceeds from sale of capital assets	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>1,200,000</u>	<u>--</u>	<u>--</u>
<b>Net Change in Fund Balances</b>	74,313	106,529	1,025,636	--	--
<b>Fund Balances, Beginning of Year</b>	<u>1,259,945</u>	<u>3,887,446</u>	<u>650,000</u>	<u>--</u>	<u>--</u>
<b>Fund Balances, End of Year</b>	<u>\$ 1,334,258</u>	<u>\$ 3,993,975</u>	<u>\$ 1,675,636</u>	<u>\$ --</u>	<u>\$ --</u>

continued

# COUNTY OF LAKE

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued) Nonmajor Governmental Funds For the Year Ended June 30, 2015

	Capital Project Funds			
	Special Projects	Animal Control	Lampson Airport Capital Projects -	Totals
<b>Revenues:</b>				
Taxes	\$ --	\$ --	\$ --	\$ 2,599,011
Licenses and permits	--	--	--	984,766
Fines and forfeitures	--	--	--	496,402
Use of money and property	--	--	202	206,761
Intergovernmental	28,206	--	66,494	28,192,512
Charges for services	--	--	--	17,324,743
Other revenues	--	--	--	645,259
<b>Total Revenues</b>	<u>28,206</u>	<u>--</u>	<u>66,696</u>	<u>50,449,454</u>
<b>Expenditures:</b>				
Current:				
General government	314,508	1,550	--	1,403,418
Public protection	--	--	--	5,999,197
Public ways and facilities	--	--	66,225	12,035,859
Health and sanitation	--	--	--	17,157,177
Public assistance	--	--	--	2,276,440
Education	--	--	--	990,054
Recreation and culture	--	--	--	2,708
Debt Service:				
Principal	--	--	--	1,656,857
Interest	--	--	--	600,290
Capital outlay	--	--	--	5,753,891
<b>Total Expenditures</b>	<u>314,508</u>	<u>1,550</u>	<u>66,225</u>	<u>47,875,891</u>
Excess of Revenues Over (Under) Expenditures	<u>(286,302)</u>	<u>(1,550)</u>	<u>471</u>	<u>2,573,563</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	2,446,847	--	9,000	4,188,925
Transfers out	--	--	--	(1,955,034)
Proceeds from sale of capital assets	--	--	--	3,306
<b>Total Other Financing Sources (Uses)</b>	<u>2,446,847</u>	<u>--</u>	<u>9,000</u>	<u>2,237,197</u>
<b>Net Change in Fund Balances</b>	<u>2,160,545</u>	<u>(1,550)</u>	<u>9,471</u>	<u>4,810,760</u>
<b>Fund Balances, Beginning of Year</b>	<u>75,232</u>	<u>14,827</u>	<u>53,259</u>	<u>45,094,990</u>
<b>Fund Balances, End of Year</b>	<u>\$ 2,235,777</u>	<u>\$ 13,277</u>	<u>\$ 62,730</u>	<u>\$ 49,905,750</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Road Fund For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 723,250	\$ 723,250	\$ 726,754	\$ 3,504
Licenses and permits	82,000	82,000	100,764	18,764
Fines and forfeitures	40	40	267	227
Use of money and property	27,200	27,200	27,379	179
Intergovernmental revenues	14,099,224	14,224,140	6,734,472	(7,489,668)
Charges for services	579,200	740,596	333,296	(407,300)
Other revenues	11,602	11,602	1,311	(10,291)
<b>Total Revenues</b>	<u>15,522,516</u>	<u>15,808,828</u>	<u>7,924,243</u>	<u>(7,884,585)</u>
<b>Expenditures</b>				
Current:				
Public ways and facilities	6,775,626	6,862,201	4,750,267	2,111,934
Capital outlay	9,123,909	9,658,817	2,589,570	7,069,247
<b>Total Expenditures</b>	<u>15,899,535</u>	<u>16,521,018</u>	<u>7,339,837</u>	<u>9,181,181</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(377,019)</u>	<u>(712,190)</u>	<u>584,406</u>	<u>1,296,596</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	--	--	53,500	53,500
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>53,500</u>	<u>53,500</u>
<b>Net Change in Fund Balance</b>	<u>(377,019)</u>	<u>(712,190)</u>	<u>637,906</u>	<u>1,350,096</u>
<b>Fund Balance, Beginning of Year</b>	<u>7,301,091</u>	<u>7,301,091</u>	<u>7,301,091</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 6,924,072</u>	<u>\$ 6,588,901</u>	<u>\$ 7,938,997</u>	<u>\$ 1,350,096</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Park Development Quimby For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 1,000	\$ 1,000	\$ 821	\$ (179)
Charges for services	8,639	8,639	3,393	(5,246)
<b>Total Revenues</b>	<u>9,639</u>	<u>9,639</u>	<u>4,214</u>	<u>(5,425)</u>
<b>Expenditures</b>				
Capital outlay	229,568	229,568	--	229,568
<b>Total Expenditures</b>	<u>229,568</u>	<u>229,568</u>	<u>--</u>	<u>229,568</u>
<b>Net Change in Fund Balance</b>	<u>(219,929)</u>	<u>(219,929)</u>	<u>4,214</u>	<u>224,143</u>
<b>Fund Balance, Beginning of Year</b>	<u>219,929</u>	<u>219,929</u>	<u>219,929</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 224,143</u>	<u>\$ 224,143</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Community Development For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 16,000	\$ 16,000	\$ 1,462	\$ (14,538)
Licenses and permits	281,092	352,085	341,608	(10,477)
Fines and forfeitures	--	--	1,703	1,703
Use of money and property	2,500	2,500	1,447	(1,053)
Charges for services	129,300	129,300	189,833	60,533
Other revenues	2,000	2,000	171	(1,829)
<b>Total Revenues</b>	<u>430,892</u>	<u>501,885</u>	<u>536,224</u>	<u>34,339</u>
<b>Expenditures</b>				
Current:				
Public protection	801,197	963,419	711,987	251,432
<b>Total Expenditures</b>	<u>801,197</u>	<u>963,419</u>	<u>711,987</u>	<u>251,432</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(370,305)</u>	<u>(461,534)</u>	<u>(175,763)</u>	<u>285,771</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	90,000	107,229	107,229	--
Transfers out	--	(51,000)	--	(51,000)
<b>Total Other Financing Sources (Uses)</b>	<u>90,000</u>	<u>56,229</u>	<u>107,229</u>	<u>(51,000)</u>
<b>Net Change in Fund Balance</b>	<u>(280,305)</u>	<u>(405,305)</u>	<u>(68,534)</u>	<u>336,771</u>
<b>Fund Balance, Beginning of Year</b>	<u>415,085</u>	<u>415,085</u>	<u>415,085</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 134,780</u>	<u>\$ 9,780</u>	<u>\$ 346,551</u>	<u>\$ 336,771</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Geothermal Resource Royalties For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 6,000	\$ 6,000	\$ 4,636	\$ (1,364)
Intergovernmental revenues	1,470,000	1,670,469	1,654,087	(16,382)
Other revenues	3,050	3,050	3,033	(17)
<b>Total Revenues</b>	<u>1,479,050</u>	<u>1,679,519</u>	<u>1,661,756</u>	<u>(17,763)</u>
<b>Expenditures</b>				
Current:				
General government	1,739,125	1,739,125	650,990	1,108,880
Capital outlay	263,140	269,640	--	251,927
<b>Total Expenditures</b>	<u>2,002,265</u>	<u>2,008,765</u>	<u>650,990</u>	<u>1,360,807</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(523,215)</u>	<u>(329,246)</u>	<u>1,010,766</u>	<u>1,340,012</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(1,126,125)</u>	<u>(1,230,589)</u>	<u>(1,230,589)</u>	<u>--</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(1,126,125)</u>	<u>(1,230,589)</u>	<u>(1,230,589)</u>	<u>--</u>
<b>Net Change in Fund Balance</b>	<u>(1,649,340)</u>	<u>(1,559,835)</u>	<u>(219,823)</u>	<u>1,340,012</u>
<b>Fund Balance, Beginning of Year</b>	<u>1,586,002</u>	<u>1,586,002</u>	<u>1,586,002</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ (63,338)</u>	<u>\$ 26,167</u>	<u>\$ 1,366,179</u>	<u>\$ 1,340,012</u>



# COUNTY OF LAKE

## Budgetary Comparison Schedule Fish and Game For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes and assessments	\$ 60,060	\$ 60,060	\$ 61,862	\$ 1,802
Fines and forfeitures	2,150	2,150	3,142	992
Use of money and property	180	180	196	16
Intergovernmental revenues	860	860	824	(36)
<b>Total Revenues</b>	<u>63,250</u>	<u>63,250</u>	<u>66,024</u>	<u>2,774</u>
<b>Expenditures</b>				
Current:				
Public protection	121,188	121,188	103,124	18,064
<b>Total Expenditures</b>	<u>121,188</u>	<u>121,188</u>	<u>103,124</u>	<u>18,064</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(57,938)</u>	<u>(57,938)</u>	<u>(37,100)</u>	<u>20,838</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	20,813	20,813	20,813	--
<b>Total Other Financing Sources (Uses)</b>	<u>20,813</u>	<u>20,813</u>	<u>20,813</u>	<u>--</u>
<b>Net Change in Fund Balance</b>	(37,125)	(37,125)	(16,287)	20,838
<b>Fund Balance, Beginning of Year</b>	<u>42,138</u>	<u>42,138</u>	<u>42,138</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 5,013</u>	<u>\$ 5,013</u>	<u>\$ 25,851</u>	<u>\$ 20,838</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Special Aviation For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes and assessments	\$ 14	\$ 14	\$ 27	\$ 13
Use of money and property	36,970	36,970	35,824	(1,146)
Intergovernmental revenues	10,000	10,000	10,000	--
Other revenues	--	--	500	500
<b>Total Revenues</b>	<u>46,984</u>	<u>46,984</u>	<u>46,351</u>	<u>(633)</u>
<b>Expenditures</b>				
Current:				
Public ways and facilities	98,530	98,530	63,733	34,797
<b>Total Expenditures</b>	<u>98,530</u>	<u>98,530</u>	<u>63,733</u>	<u>34,797</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(51,546)</u>	<u>(51,546)</u>	<u>(17,382)</u>	<u>34,164</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	31,125	31,125	31,125	--
Transfers out	(9,000)	(9,000)	(9,000)	--
<b>Total Other Financing Sources (Uses)</b>	<u>22,125</u>	<u>22,125</u>	<u>22,125</u>	<u>--</u>
<b>Net Change in Fund Balance</b>	(29,421)	(29,421)	4,743	34,164
<b>Fund Balance, Beginning of Year</b>	<u>29,422</u>	<u>29,422</u>	<u>29,422</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 34,165</u>	<u>\$ 34,164</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Special Districts Administration For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 2,815	\$ 2,815	\$ 2,333	\$ (482)
Intergovernmental revenues	250,000	250,000	152,666	(97,334)
Charges for services	4,002,510	4,002,510	3,911,776	(90,734)
Other revenues	--	--	309	309
<b>Total Revenues</b>	<u>4,255,325</u>	<u>4,255,325</u>	<u>4,067,084</u>	<u>(188,241)</u>
<b>Expenditures</b>				
Current:				
Public ways and facilities	4,451,279	4,550,604	3,972,284	578,320
Capital outlay	141,738	235,953	232,952	3,001
<b>Total Expenditures</b>	<u>4,593,017</u>	<u>4,786,557</u>	<u>4,205,236</u>	<u>581,321</u>
<b>Net Change in Fund Balance</b>	(337,692)	(531,232)	(138,152)	393,080
<b>Fund Balance, Beginning of Year</b>	<u>835,167</u>	<u>835,167</u>	<u>835,167</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 497,475</u>	<u>\$ 303,935</u>	<u>\$ 697,015</u>	<u>\$ 393,080</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Sheriff Programs For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Fines and forfeitures	\$ 155,500	\$ 155,500	\$ 214,695	\$ 59,195
Use of money and property	14,250	14,250	11,681	(2,569)
Intergovernmental revenues	704,583	719,829	753,856	34,027
Charges for services	62,000	62,000	59,552	(2,448)
Other revenues	1,500	1,500	174,664	173,164
<b>Total Revenues</b>	<u>937,833</u>	<u>953,079</u>	<u>1,214,448</u>	<u>261,369</u>
<b>Expenditures</b>				
Current:				
Public protection	1,638,475	2,826,651	896,562	1,930,089
Capital outlay	297,000	582,991	154,000	428,991
<b>Total Expenditures</b>	<u>1,935,475</u>	<u>3,409,642</u>	<u>1,050,562</u>	<u>2,359,080</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(997,642)</u>	<u>(2,456,563)</u>	<u>163,886</u>	<u>2,620,449</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(1,200,000)</u>	<u>(600,000)</u>	<u>(600,000)</u>	<u>--</u>
Total other financing sources (uses)	<u>(1,200,000)</u>	<u>(600,000)</u>	<u>(600,000)</u>	<u>--</u>
<b>Net Change in Fund Balance</b>	<u>(2,197,642)</u>	<u>(3,056,563)</u>	<u>(436,114)</u>	<u>2,620,449</u>
<b>Fund Balance, Beginning of Year</b>	<u>3,056,563</u>	<u>3,056,563</u>	<u>3,056,563</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 858,921</u>	<u>\$ --</u>	<u>\$ 2,620,449</u>	<u>\$ 2,620,449</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule District Attorney Programs For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Fines and forfeitures	\$ 2,000	\$ 2,000	\$ 115,237	\$ 113,237
Use of money and property	150	150	320	170
Intergovernmental revenues	500	500	5,045	4,545
Charges for services	6,000	6,000	6,095	95
Other revenues	5,000	20,000	--	(20,000)
<b>Total Revenues</b>	<u>13,650</u>	<u>28,650</u>	<u>126,697</u>	<u>98,047</u>
<b>Expenditures</b>				
Current:				
Public protection	56,271	71,271	36,146	35,125
<b>Total Expenditures</b>	<u>56,271</u>	<u>71,271</u>	<u>36,146</u>	<u>35,125</u>
<b>Net Change in Fund Balance</b>	(42,621)	(42,621)	90,551	133,172
<b>Fund Balance, Beginning of Year</b>	<u>57,356</u>	<u>57,356</u>	<u>57,356</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 14,735</u>	<u>\$ 14,735</u>	<u>\$ 147,907</u>	<u>\$ 133,172</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Animal Control Spay/Neuter Programs For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Licenses and permits	\$ 9,000	\$ 9,000	\$ 8,025	(975)
Use of money and property	9,000	9,000	6,726	(2,274)
Charges for services	7,500	7,500	71,075	63,575
Other revenues	71,041	71,041	16,606	(54,435)
<b>Total Revenues</b>	<u>96,541</u>	<u>96,541</u>	<u>102,432</u>	<u>5,891</u>
<b>Expenditures</b>				
Current:				
Public protection	173,000	173,000	161,991	11,009
<b>Total Expenditures</b>	<u>173,000</u>	<u>173,000</u>	<u>161,991</u>	<u>11,009</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(76,459)</u>	<u>(76,459)</u>	<u>(59,559)</u>	<u>16,900</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	73,000	73,000	73,000	--
<b>Total Other Financing Sources (Uses)</b>	<u>73,000</u>	<u>73,000</u>	<u>73,000</u>	<u>--</u>
<b>Net Change in Fund Balance</b>	(3,459)	(3,459)	13,441	16,900
<b>Fund Balance, Beginning of Year</b>	<u>3,459</u>	<u>3,459</u>	<u>3,459</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 16,900</u>	<u>\$ 16,900</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule IHSS Public Authority For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Intergovernmental revenues	\$ 443,465	\$ 443,465	\$ 179,520	\$ (263,945)
Other revenues	25,000	25,000	21,945	(3,055)
<b>Total Revenues</b>	<u>468,465</u>	<u>468,465</u>	<u>201,465</u>	<u>(267,000)</u>
<b>Expenditures</b>				
Current:				
Public assistance	447,003	447,003	179,520	267,483
<b>Total Expenditures</b>	<u>447,003</u>	<u>447,003</u>	<u>179,520</u>	<u>267,483</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>21,462</u>	<u>21,462</u>	<u>21,945</u>	<u>483</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	3,538	3,538	--	(3,538)
Transfers out	(25,000)	(25,000)	(21,945)	3,055
<b>Total Other Financing Sources (Uses)</b>	<u>(21,462)</u>	<u>(21,462)</u>	<u>(21,945)</u>	<u>(483)</u>
<b>Net Change in Fund Balance</b>	--	--	--	--
<b>Fund Balance, Beginning of Year</b>	--	--	--	--
<b>Fund Balance, End of Year</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Recorder Programs For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 7,300	\$ 7,300	\$ 5,800	\$ (1,500)
Charges for services	128,500	128,500	117,234	(11,266)
<b>Total Revenues</b>	<u>135,800</u>	<u>135,800</u>	<u>123,034</u>	<u>(12,766)</u>
<b>Expenditures</b>				
Current:				
Public protection	442,478	436,478	101,954	334,524
Capital outlay	--	6,000	5,881	119
<b>Total Expenditures</b>	<u>442,478</u>	<u>442,478</u>	<u>107,835</u>	<u>334,643</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(306,678)</u>	<u>(306,678)</u>	<u>15,199</u>	<u>321,877</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>--</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>--</u>
<b>Net Change in Fund Balance</b>	<u>(316,678)</u>	<u>(316,678)</u>	<u>5,199</u>	<u>321,877</u>
<b>Fund Balance, Beginning of Year</b>	<u>1,640,582</u>	<u>1,640,582</u>	<u>1,640,582</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 1,323,904</u>	<u>\$ 1,323,904</u>	<u>\$ 1,645,781</u>	<u>\$ 321,877</u>



# COUNTY OF LAKE

## Budgetary Comparison Schedule Air Quality District For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Licenses and permits	\$ 483,000	\$ 483,000	\$ 472,992	\$ (10,008)
Fines and forfeitures	50,050	50,050	36,896	(13,154)
Use of money and property	20,000	20,000	3,577	(16,423)
Intergovernmental revenues	600,610	600,610	122,705	(477,905)
Charges for services	3,300	3,300	4,055	755
Other revenues	4,200	4,200	29,941	25,741
<b>Total Revenues</b>	<u>1,161,160</u>	<u>1,161,160</u>	<u>670,166</u>	<u>(490,994)</u>
<b>Expenditures</b>				
Current:				
Public ways and facilities	1,131,642	1,131,642	546,950	584,692
Capital outlay	100,000	973,039	957,307	15,732
<b>Total Expenditures</b>	<u>1,231,642</u>	<u>2,104,681</u>	<u>1,504,257</u>	<u>600,424</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(70,482)</u>	<u>(943,521)</u>	<u>(834,091)</u>	<u>109,430</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital assets	--	--	2,850	2,850
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>2,850</u>	<u>2,850</u>
<b>Net Change in Fund Balance</b>	(70,482)	(943,521)	(831,241)	112,280
<b>Fund Balance, Beginning of Year</b>	<u>1,116,451</u>	<u>1,116,451</u>	<u>1,116,451</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 1,045,969</u>	<u>\$ 172,930</u>	<u>\$ 285,210</u>	<u>\$ 112,280</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule CDBG Housing Programs For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 440	\$ 440	\$ 577	\$ 137
Other revenues	48,000	48,000	73,861	25,861
<b>Total Revenues</b>	<u>48,440</u>	<u>48,440</u>	<u>74,438</u>	<u>25,998</u>
<b>Expenditures</b>				
Current:				
Public assistance	159,750	159,750	157,748	2,002
<b>Total Expenditures</b>	<u>159,750</u>	<u>159,750</u>	<u>157,748</u>	<u>2,002</u>
<b>Net Change in Fund Balance</b>	(111,310)	(111,310)	(83,310)	28,000
<b>Fund Balance, Beginning of Year</b>	<u>1,103,210</u>	<u>1,105,620</u>	<u>1,109,549</u>	<u>3,929</u>
<b>Fund Balance, End of Year</b>	<u>\$ 991,900</u>	<u>\$ 994,310</u>	<u>\$ 1,026,239</u>	<u>\$ 31,929</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Child Support Services For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ --	\$ --	\$ 1,124	\$ 1,124
Intergovernmental revenues	2,488,302	2,488,302	2,277,758	(210,544)
Other revenues	--	--	57	57
<b>Total Revenues</b>	<u>2,488,302</u>	<u>2,488,302</u>	<u>2,278,939</u>	<u>(209,363)</u>
<b>Expenditures</b>				
Current:				
Public protection	2,638,737	2,638,737	2,348,552	290,185
<b>Total Expenditures</b>	<u>2,638,737</u>	<u>2,638,737</u>	<u>2,348,552</u>	<u>290,185</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(150,435)</u>	<u>(150,435)</u>	<u>(69,613)</u>	<u>(499,548)</u>
<b>Other Financing Sources (Uses):</b>				
Proceeds from sale of capital assets	--	--	456	(456)
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>456</u>	<u>(456)</u>
<b>Net Change in Fund Balances</b>	(150,435)	(150,435)	(69,157)	456
<b>Fund Balance, Beginning of Year</b>	<u>150,485</u>	<u>150,485</u>	<u>150,485</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 50</u>	<u>\$ 50</u>	<u>\$ 81,328</u>	<u>\$ 81,278</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Museum For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 225	\$ 225	\$ 101	\$ (124)
<b>Total Revenues</b>	<u>225</u>	<u>225</u>	<u>101</u>	<u>(124)</u>
<b>Expenditures</b>				
Current:				
Recreation and culture	26,849	26,849	2,708	24,141
<b>Total Expenditures</b>	<u>26,849</u>	<u>26,849</u>	<u>2,708</u>	<u>24,141</u>
<b>Net Change in Fund Balance</b>	(26,624)	(26,624)	(2,607)	24,017
<b>Fund Balance, Beginning of Year</b>	<u>26,624</u>	<u>26,624</u>	<u>26,624</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 24,017</u>	<u>\$ 24,017</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Library For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes and assessments	\$ 752,570	\$ 752,570	\$ 750,794	\$ (1,776)
Fines and forfeitures	11	11	8	(3)
Use of money and property	10,050	10,050	11,140	1,090
Intergovernmental revenues	73,785	89,685	83,301	(6,384)
Charges for services	23,000	23,000	24,034	1,034
Other revenues	21,686	29,686	27,515	(2,171)
<b>Total Revenues</b>	<u>881,102</u>	<u>905,002</u>	<u>896,792</u>	<u>(8,210)</u>
<b>Expenditures</b>				
Current:				
Education	1,054,358	1,078,058	990,054	88,004
Capital outlay	18,459	18,459	--	18,459
<b>Total Expenditures</b>	<u>1,072,817</u>	<u>1,096,517</u>	<u>990,054</u>	<u>106,463</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(191,715)</u>	<u>(191,515)</u>	<u>(93,262)</u>	<u>98,253</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	<u>65,000</u>	<u>106,000</u>	<u>106,000</u>	<u>--</u>
<b>Total Other Financing Sources (Uses)</b>				
<b>Net Change in Fund Balance</b>	(126,715)	(85,515)	12,738	98,253
<b>Fund Balance, Beginning of Year</b>	<u>246,909</u>	<u>246,909</u>	<u>246,909</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 120,194</u>	<u>\$ 161,394</u>	<u>\$ 259,647</u>	<u>\$ 98,253</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Lakebed Management For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Licenses and permits	\$ 17,000	\$ 17,000	\$ 18,341	\$ 1,341
Use of money and property	192	192	661	469
Intergovernmental	1,000	1,000	--	(1,000)
Other revenues	160,000	160,000	162,700	2,700
<b>Total Revenues</b>	<u>178,192</u>	<u>178,192</u>	<u>181,702</u>	<u>3,510</u>
<b>Expenditures</b>				
Current:				
General government	159,742	159,742	112,006	47,736
<b>Total Expenditures</b>	<u>159,742</u>	<u>159,742</u>	<u>112,006</u>	<u>47,736</u>
<b>Net Change in Fund Balance</b>	18,450	18,450	69,696	51,246
<b>Fund Balance, Beginning of Year</b>	<u>104,416</u>	<u>104,416</u>	<u>104,416</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 122,866</u>	<u>\$ 122,866</u>	<u>\$ 174,112</u>	<u>\$ 51,246</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Kelseyville Waterworks District For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes and assessments	\$ 97,323	\$ 97,323	\$ 98,329	\$ 1,006
Fines and forfeitures	9	9	--	(9)
Use of money and property	5,050	5,050	3,393	(1,657)
Intergovernmental revenues	1,289	1,289	1,262	(27)
Charges for services	7,825	7,825	816,248	808,423
Other revenues	801,118	801,118	7,314	(793,804)
<b>Total Revenues</b>	<u>912,614</u>	<u>912,614</u>	<u>926,546</u>	<u>13,932</u>
<b>Expenditures</b>				
Current:				
Public ways and facilities	998,808	1,003,901	797,068	206,833
Capital outlay	158,781	158,781	155,309	3,472
<b>Total Expenditures</b>	<u>1,157,589</u>	<u>1,162,682</u>	<u>952,377</u>	<u>210,305</u>
<b>Net Change in Fund Balance</b>	(244,975)	(250,068)	(25,831)	224,237
<b>Fund Balance, Beginning of Year</b>	<u>850,229</u>	<u>850,229</u>	<u>850,229</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 605,254</u>	<u>\$ 600,161</u>	<u>\$ 824,398</u>	<u>\$ 224,237</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Behavioral Health For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Fines and forfeitures	\$ 14,750	\$ 14,750	\$ 15,908	\$ 1,158
Use of money and property	21,010	21,010	16,138	(4,872)
Intergovernmental	14,147,005	14,147,005	13,400,646	(746,359)
Charges for services	405,750	405,750	235,409	(170,341)
Other revenues	251,086	251,086	45,739	(205,347)
<b>Total Revenues</b>	<u>14,839,601</u>	<u>14,839,601</u>	<u>13,713,840</u>	<u>(1,125,761)</u>
<b>Expenditures</b>				
Current:				
Health and sanitation	14,139,913	14,060,561	11,744,051	2,316,510
Capital outlay	1,510,800	1,510,800	271,926	1,238,874
<b>Total Expenditures</b>	<u>15,650,713</u>	<u>15,571,361</u>	<u>12,015,977</u>	<u>3,555,384</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(811,112)</u>	<u>(731,760)</u>	<u>1,697,863</u>	<u>2,429,623</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	61,112	61,112	61,112	--
<b>Total Other Financing Sources (Uses)</b>	<u>61,112</u>	<u>61,112</u>	<u>61,112</u>	<u>--</u>
<b>Net Change in Fund Balance</b>	(750,000)	(670,648)	1,758,975	2,429,623
<b>Fund Balance, Beginning of Year</b>	<u>3,674,063</u>	<u>3,674,063</u>	<u>3,674,063</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 2,924,063</u>	<u>\$ 3,003,415</u>	<u>\$ 5,433,038</u>	<u>\$ 2,429,623</u>



# COUNTY OF LAKE

## Budgetary Comparison Schedule Lake County Housing Commission For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 1	\$ 1	\$ 180	\$ 179
Intergovernmental revenues	1,828,500	1,828,500	1,600,508	(227,992)
Charges for services	252,000	252,000	257,341	5,341
Other revenues	7,000	7,000	18,603	11,603
<b>Total Revenues</b>	<u>2,087,501</u>	<u>2,087,501</u>	<u>1,876,632</u>	<u>(210,869)</u>
<b>Expenditures</b>				
Current:				
Public assistance	<u>2,057,600</u>	<u>2,057,600</u>	<u>1,939,172</u>	<u>118,428</u>
<b>Total Expenditures</b>	<u>2,057,600</u>	<u>2,057,600</u>	<u>1,939,172</u>	<u>118,428</u>
<b>Net Change in Fund Balance</b>	29,901	29,901	(62,540)	(92,441)
<b>Fund Balance, Beginning of Year</b>	<u>1,247,888</u>	<u>1,247,888</u>	<u>1,247,888</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 1,277,789</u>	<u>\$ 1,277,789</u>	<u>\$ 1,185,348</u>	<u>\$ (92,441)</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Watershed Protection Districts For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes and assessments	\$ 576,462	\$ 576,462	\$ 577,715	\$ 1,253
Licenses and permits	51,100	51,100	43,036	(8,064)
Fines and forfeitures	1,520	1,520	4,726	3,206
Use of money and property	16,985	16,985	14,356	(2,629)
Intergovernmental revenues	652,102	652,102	157,720	(494,382)
Charges for services	567,442	567,442	560,835	(6,607)
Other revenues	650	2,650	2,009	(641)
<b>Total Revenues</b>	<u>1,866,261</u>	<u>1,868,261</u>	<u>1,360,397</u>	<u>(507,864)</u>
<b>Expenditures</b>				
Current:				
Public protection	1,644,841	1,667,140	1,088,502	578,638
Capital outlay	430,000	430,000	180,537	249,463
<b>Total Expenditures</b>	<u>2,074,841</u>	<u>2,097,140</u>	<u>1,269,039</u>	<u>828,101</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(208,580)</u>	<u>(228,879)</u>	<u>91,358</u>	<u>320,237</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	43,700	63,999	50,299	(13,700)
Transfers out	(13,700)	(13,700)	--	13,700
<b>Total Other Financing Sources (Uses)</b>	<u>30,000</u>	<u>50,299</u>	<u>50,299</u>	<u>--</u>
<b>Net Change in Fund Balance</b>	<u>(178,580)</u>	<u>(178,580)</u>	<u>141,657</u>	<u>320,237</u>
<b>Fund Balance, Beginning of Year</b>	<u>2,010,976</u>	<u>2,010,976</u>	<u>2,010,976</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 1,832,396</u>	<u>\$ 1,832,396</u>	<u>\$ 2,152,633</u>	<u>\$ 320,237</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule County Service Areas For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes and assessments	\$ 245,001	\$ 245,001	\$ 243,029	\$ (1,972)
Fines and forfeitures	505	505	9,705	9,200
Use of money and property	18,533	18,533	15,863	(2,670)
Intergovernmental revenues	643,223	3,331,223	255,119	(3,076,104)
Charges for services	327,826	327,826	2,093,508	1,765,682
Other revenues	1,801,940	1,951,940	6,270	(1,945,670)
<b>Total Revenues</b>	<u>3,037,028</u>	<u>5,875,028</u>	<u>2,623,494</u>	<u>(3,251,534)</u>
<b>Expenditures</b>				
Current:				
Public ways and facilities	2,397,023	2,415,443	1,756,271	659,172
Capital outlay	748,771	3,940,971	282,317	3,658,654
<b>Total Expenditures</b>	<u>3,145,794</u>	<u>6,356,414</u>	<u>2,038,588</u>	<u>4,317,826</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(108,766)</u>	<u>(481,386)</u>	<u>584,906</u>	<u>1,066,292</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(30,000)	(30,000)	(83,500)	(53,500)
<b>Total Other Financing Sources (Uses)</b>	<u>(30,000)</u>	<u>(30,000)</u>	<u>(83,500)</u>	<u>(53,500)</u>
<b>Net Change in Fund Balance</b>	(138,766)	(511,386)	501,406	1,012,792
<b>Fund Balance, Beginning of Year</b>	<u>3,482,635</u>	<u>3,482,635</u>	<u>3,482,635</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 3,343,869</u>	<u>\$ 2,971,249</u>	<u>\$ 3,984,041</u>	<u>\$ 1,012,792</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Lighting Districts For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes and assessments	\$ 82,440	\$ 82,440	\$ 84,810	\$ 2,370
Fines and forfeitures	264	264	46	(218)
Use of money and property	1,690	1,690	1,553	(137)
Intergovernmental revenues	1,268	1,268	1,240	(28)
Charges for services	2,600	2,600	2,677	77
<b>Total Revenues</b>	<u>88,262</u>	<u>88,262</u>	<u>90,326</u>	<u>2,064</u>
<b>Expenditures</b>				
Current:				
Public ways and facilities	92,667	92,667	83,061	9,606
<b>Total Expenditures</b>	<u>92,667</u>	<u>92,667</u>	<u>83,061</u>	<u>9,606</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,405)</u>	<u>(4,405)</u>	<u>7,265</u>	<u>11,670</u>
<b>Net Change in Fund Balance</b>	<u>(4,405)</u>	<u>(4,405)</u>	<u>7,265</u>	<u>11,670</u>
<b>Fund Balance, Beginning of Year</b>	<u>425,692</u>	<u>425,692</u>	<u>425,692</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 421,287</u>	<u>\$ 421,287</u>	<u>\$ 432,957</u>	<u>\$ 11,670</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Sheriff Motor Pool For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 170,000	\$ 170,000	\$ 181,715	\$ 11,715
Other revenues	--	--	8,293	8,293
<b>Total Revenues</b>	<u>170,000</u>	<u>170,000</u>	<u>190,008</u>	<u>20,008</u>
<b>Expenditures</b>				
Current:				
Capital outlay	463,400	490,400	26,859	463,541
<b>Total Expenditures</b>	<u>463,400</u>	<u>490,400</u>	<u>26,859</u>	<u>463,541</u>
<b>Net Change in Fund Balance</b>	(293,400)	(320,400)	163,149	483,549
<b>Fund Balance, Beginning of Year</b>	<u>1,804,849</u>	<u>1,804,849</u>	<u>1,804,849</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u><u>\$ 1,511,449</u></u>	<u><u>\$ 1,484,449</u></u>	<u><u>\$ 1,967,998</u></u>	<u><u>\$ 483,549</u></u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Sanitation Districts For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Fines and forfeitures	\$ 97,487	\$ 97,487	\$ 66,889	\$ (30,598)
Use of money and property	15,396	15,396	17,704	2,308
Intergovernmental revenues	30,659	30,659	--	(30,659)
Charges for services	39,622	39,622	6,133,266	6,093,644
Other revenues	6,331,846	6,361,774	66,363	(6,295,411)
<b>Total Revenues</b>	<u>6,515,010</u>	<u>6,544,938</u>	<u>6,284,222</u>	<u>(260,716)</u>
<b>Expenditures</b>				
Current:				
Health and sanitation	7,024,422	6,903,372	5,413,126	1,490,246
Capital outlay	749,114	1,279,114	897,233	381,881
<b>Total Expenditures</b>	<u>7,773,536</u>	<u>8,182,486</u>	<u>6,310,359</u>	<u>1,872,127</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,258,526)</u>	<u>(1,637,548)</u>	<u>(26,137)</u>	<u>1,611,411</u>
<b>Net Change in Fund Balance</b>	<u>(1,258,526)</u>	<u>(1,637,548)</u>	<u>(26,137)</u>	<u>1,611,411</u>
<b>Fund Balance, Beginning of Year</b>	<u>4,762,111</u>	<u>4,762,111</u>	<u>4,762,111</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 3,503,585</u>	<u>\$ 3,124,563</u>	<u>\$ 4,735,974</u>	<u>\$ 1,611,411</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Public Safety Facilities - Capital Projects Fund For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Intergovernmental revenues	\$ 150,000	\$ 56,009	\$ 150,000	\$ 93,991
<b>Total Revenues</b>	<u>150,000</u>	<u>56,009</u>	<u>150,000</u>	<u>93,991</u>
<b>Expenditures</b>				
Current:				
General government	1,756,010	3,256,010	324,364	2,931,646
<b>Total Expenditures</b>	<u>1,756,010</u>	<u>3,256,010</u>	<u>324,364</u>	<u>2,931,646</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,606,010)</u>	<u>(3,200,001)</u>	<u>(174,364)</u>	<u>3,025,637</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	1,200,000	1,200,000	1,200,000	--
<b>Total Other Financing Sources (Uses)</b>	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>--</u>
<b>Net Change in Fund Balance</b>	(406,010)	(2,000,001)	1,025,636	3,025,637
<b>Fund Balance, Beginning of Year</b>	<u>650,000</u>	<u>650,000</u>	<u>650,000</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 243,990</u>	<u>\$ (1,350,001)</u>	<u>\$ 1,675,636</u>	<u>\$ 3,025,637</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Special Projects - Capital Projects Fund For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Intergovernmental revenues	\$ --	\$ 1,085,143	\$ 28,206	\$ (1,056,937)
Other revenues	--	50,000	--	(50,000)
<b>Total Revenues</b>	--	1,135,143	28,206	(1,106,937)
<b>Expenditures</b>				
Current:				
General government	264,316	3,157,222	314,508	2,842,714
<b>Total Expenditures</b>	264,316	3,157,222	314,508	2,842,714
Excess (Deficiency) of Revenues Over (Under) Expenditures	(264,316)	(2,022,079)	(286,302)	1,735,777
<b>Other Financing Sources (Uses)</b>				
Transfers in	--	1,946,847	2,446,847	(500,000)
<b>Total Other Financing Sources (Uses)</b>	--	1,946,847	2,446,847	(500,000)
<b>Net Change in Fund Balance</b>	(264,316)	(75,232)	2,160,545	1,235,777
<b>Fund Balance, Beginning of Year</b>	75,232	75,232	75,232	--
<b>Fund Balance, End of Year</b>	<u>\$ (189,084)</u>	<u>\$ --</u>	<u>\$ 2,235,777</u>	<u>\$ 2,235,777</u>



# COUNTY OF LAKE

## Budgetary Comparison Schedule Animal Control - Capital Projects Fund For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Expenditures</b>				
Current:				
General government	\$ 12,827	\$ 14,827	1,550	\$ 13,277
<b>Total Expenditures</b>	<u>12,827</u>	<u>14,827</u>	<u>1,550</u>	<u>13,277</u>
 <b>Net Change in Fund Balance</b>	(12,827)	(14,827)	(1,550)	(13,277)
 <b>Fund Balance, Beginning of Year</b>	<u>14,827</u>	<u>14,827</u>	<u>14,827</u>	<u>--</u>
 <b>Fund Balance, End of Year</b>	<u>\$ 2,000</u>	<u>\$ --</u>	<u>\$ 13,277</u>	<u>\$ 13,277</u>

# COUNTY OF LAKE

## Budgetary Comparison Schedule Lampson Airport - Capital Projects Fund For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 115	\$ 115	\$ 202	\$ 87
Intergovernmental revenues	81,000	81,000	66,494	(14,506)
<b>Total Revenues</b>	<u>81,115</u>	<u>81,115</u>	<u>66,696</u>	<u>(14,419)</u>
<b>Expenditures</b>				
Current:				
Public ways and facilities	132,000	121,814	66,225	55,589
<b>Total Expenditures</b>	<u>132,000</u>	<u>121,814</u>	<u>66,225</u>	<u>55,589</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(50,885)</u>	<u>(40,699)</u>	<u>471</u>	<u>41,170</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	9,000	9,000	9,000	--
<b>Total Other Financing Sources (Uses)</b>	<u>9,000</u>	<u>9,000</u>	<u>9,000</u>	<u>--</u>
<b>Net Change in Fund Balance</b>	(41,885)	(31,699)	9,471	41,170
<b>Fund Balance, Beginning of Year</b>	<u>53,259</u>	<u>53,259</u>	<u>53,259</u>	<u>--</u>
<b>Fund Balance, End of Year</b>	<u>\$ 11,374</u>	<u>\$ 21,560</u>	<u>\$ 62,730</u>	<u>\$ 41,170</u>

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**INTERNAL SERVICE FUNDS**

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**COUNTY OF LAKE, CALIFORNIA  
INTERNAL SERVICE FUNDS**

Internal Service Funds are used to account for the financing of goods and services provided by one department to other departments on a cost reimbursement basis. Internal service funds used at the County are listed below:

- **UNEMPLOYMENT INSURANCE**  
to account for the operations of the County unemployment self insurance program.
- **PUBLIC LIABILITY INSURANCE**  
to account for the operations of the County liability insurance program.
- **WORKERS' COMPENSATION INSURANCE**  
to account for the operation of the County workers' compensation insurance program.
- **EMPLOYEE HEALTH AND WELLNESS**  
to account for the operations of the County self funded dental and vision plans.
- **HEAVY EQUIPMENT RENTAL**  
to account for the cost of heavy equipment maintenance and operations usage and to accumulate funds for the future replacement of heavy equipment.
- **FLEET MAINTENANCE**  
to account for the cost of general services fleet operations and maintenance.
- **CENTRAL GARAGE**  
to account for the cost of fleet repairs.

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# COUNTY OF LAKE

## Combining Statement of Net Position Internal Service Funds June 30, 2015

	Risk Management			
	Unemployment Insurance	Public Liability Insurance	Workers' Compensation Insurance	Employee Health/Wellness
<b>Assets</b>				
Current Assets:				
Cash and investments	\$ 683,809	\$ 492,223	\$ 230,533	\$ 134,477
Inventory	--	--	--	--
Total Current Assets	<u>683,809</u>	<u>492,223</u>	<u>230,533</u>	<u>134,477</u>
Noncurrent Assets:				
Capital assets				
Nondepreciable	--	--	--	--
Depreciable, net	--	--	--	--
Total Noncurrent Assets	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Total Assets</b>	<u>683,809</u>	<u>492,223</u>	<u>230,533</u>	<u>134,477</u>
<b>Liabilities</b>				
Current Liabilities:				
Accounts payable	--	--	--	54
Salaries and benefits payable	--	--	--	--
Compensated absences payable	--	--	--	--
Total Current Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>54</u>
Noncurrent Liabilities:				
Compensated absences payable	--	--	--	--
Net OPEB obligation	--	--	--	--
Estimated claims liability	116,308	557,706	--	--
Total Noncurrent Liabilities	<u>116,308</u>	<u>557,706</u>	<u>--</u>	<u>--</u>
<b>Total Liabilities</b>	<u>116,308</u>	<u>557,706</u>	<u>--</u>	<u>54</u>
<b>Net Position</b>				
Net investment in capital assets	--	--	--	--
Unrestricted	<u>567,501</u>	<u>(65,483)</u>	<u>230,533</u>	<u>134,423</u>
<b>Total Net Position</b>	<u>\$ 567,501</u>	<u>\$ (65,483)</u>	<u>\$ 230,533</u>	<u>\$ 134,423</u>

continued

# COUNTY OF LAKE

## Combining Statement of Net Position (continued) Internal Service Funds June 30, 2015

	Heavy Equipment Rental	Fleet Maintenance	Central Garage	Totals
<b>Assets</b>				
Current Assets:				
Cash and investments	\$ 669,602	\$ 96,839	\$ 642,138	\$ 2,949,621
Inventory	16,406	--	734	17,140
Total Current Assets	<u>686,008</u>	<u>96,839</u>	<u>642,872</u>	<u>2,966,761</u>
Noncurrent Assets:				
Capital assets				
Nondepreciable	--	--	48,233	48,233
Depreciable, net	655,348	--	271,135	926,483
Total Noncurrent Assets	<u>655,348</u>	<u>--</u>	<u>319,368</u>	<u>974,716</u>
<b>Total Assets</b>	<u>1,341,356</u>	<u>96,839</u>	<u>962,240</u>	<u>3,941,477</u>
<b>Liabilities</b>				
Current Liabilities:				
Accounts payable	7,677	363	8,093	16,187
Salaries and benefits payable	--	33,445	--	33,445
Compensated absences payable	--	2,228	--	2,228
Total Current Liabilities	<u>7,677</u>	<u>36,036</u>	<u>8,093</u>	<u>51,860</u>
Noncurrent Liabilities:				
Compensated absences payable	--	22,780	--	22,780
Net OPEB obligation	--	29,778	--	29,778
Estimated claims liability	--	--	--	674,014
Total Noncurrent Liabilities	<u>--</u>	<u>52,558</u>	<u>--</u>	<u>726,572</u>
<b>Total Liabilities</b>	<u>7,677</u>	<u>88,594</u>	<u>8,093</u>	<u>778,432</u>
<b>Net Position</b>				
Net investment in capital assets	655,348	--	319,368	974,716
Unrestricted	<u>678,331</u>	<u>8,245</u>	<u>634,779</u>	<u>2,188,329</u>
<b>Total Net Position</b>	<u>\$ 1,333,679</u>	<u>\$ 8,245</u>	<u>\$ 954,147</u>	<u>\$ 3,163,045</u>



# COUNTY OF LAKE

## Combining Statement of Revenues, Expenses and Changes in Fund Net Position Internal Service Funds For the Year Ended June 30, 2015

	Risk Management			
	Unemployment Insurance	Public Liability Insurance	Workers' Compensation Insurance	Employee Health/Wellness
<b>Operating Revenues</b>				
Charges for services	\$ 242,077	\$ 930,005	\$ 3,198,062	\$ --
Rents and concessions	--	--	--	--
Other revenue	--	--	--	--
<b>Total Operating Revenues</b>	<u>242,077</u>	<u>930,005</u>	<u>3,198,062</u>	<u>--</u>
<b>Operating Expenses</b>				
Salaries and benefits	--	--	--	--
Services and supplies	4,829	233,312	116,012	205
Maintenance	--	--	--	--
Claims/liability adjustments	138,988	989,941	3,138,246	--
Depreciation	--	--	--	--
<b>Total Operating Expenses</b>	<u>143,817</u>	<u>1,223,253</u>	<u>3,254,258</u>	<u>205</u>
Operating Income (Loss)	<u>98,260</u>	<u>(293,248)</u>	<u>(56,196)</u>	<u>(205)</u>
<b>Non-Operating Revenues and Expenses</b>				
Interest income	2,756	2,742	1,035	501
Gain (loss) on sale of capital assets	--	--	--	--
<b>Total Non-Operating Revenues and Expenses</b>	<u>2,756</u>	<u>2,742</u>	<u>1,035</u>	<u>501</u>
<b>Change in Net Position</b>	101,016	(290,506)	(55,161)	296
<b>Net Position, Beginning of Year</b>	<u>466,485</u>	<u>225,023</u>	<u>285,694</u>	<u>134,127</u>
<b>Net Position, End of Year</b>	<u>\$ 567,501</u>	<u>\$ (65,483)</u>	<u>\$ 230,533</u>	<u>\$ 134,423</u>

continued

# COUNTY OF LAKE

## Combining Statement of Revenues, Expenses and Changes in Fund Net Position (continued) Internal Service Funds For the Year Ended June 30, 2015

	Heavy Equipment Rental	Fleet Maintenance	Central Garage	Total
<b>Operating Revenues</b>				
Charges for services	\$ --	\$ 434,991	\$ 397,798	\$ 5,202,933
Rents and concessions	1,032,808	--	--	1,032,808
Other revenue	9,172	114	9,799	19,085
<b>Total Operating Revenues</b>	<u>1,041,980</u>	<u>435,105</u>	<u>407,597</u>	<u>6,254,826</u>
<b>Operating Expenses</b>				
Salaries and benefits	--	378,648	--	378,648
Services and supplies	545,917	56,352	354,138	1,310,765
Maintenance	218,568	--	--	218,568
Claims/liability adjustments	--	--	--	4,267,175
Depreciation	244,311	--	87,618	331,929
<b>Total Operating Expenses</b>	<u>1,008,796</u>	<u>435,000</u>	<u>441,756</u>	<u>6,507,085</u>
Operating Income (Loss)	<u>33,184</u>	<u>105</u>	<u>(34,159)</u>	<u>(252,259)</u>
<b>Non-Operating Revenues and Expenses</b>				
Interest income	--	--	2,778	9,812
Gain (loss) on sale of capital assets	6,316	--	3,544	9,860
<b>Total Non-Operating Revenues and Expenses</b>	<u>6,316</u>	<u>--</u>	<u>6,322</u>	<u>19,672</u>
<b>Change in Net Position</b>	39,500	105	(27,837)	(232,587)
<b>Net Position, Beginning of Year</b>	<u>1,294,179</u>	<u>8,140</u>	<u>981,984</u>	<u>3,395,632</u>
<b>Net Position, End of Year</b>	<u>\$ 1,333,679</u>	<u>\$ 8,245</u>	<u>\$ 954,147</u>	<u>\$ 3,163,045</u>

# COUNTY OF LAKE

Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended June 30, 2015

	Risk Management			
	Unemployment Insurance	Public Liability Insurance	Workers' Compensation Insurance	Employee Health/Wellness
<b>Cash Flows from Operating Activities:</b>				
Receipts from customers	\$ 242,077	\$ 930,005	\$ 3,198,062	\$ --
Payments to suppliers	(223,780)	(1,175,547)	(3,254,258)	(151)
Payments to employees	--	--	--	--
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>18,297</u>	<u>(245,542)</u>	<u>(56,196)</u>	<u>(151)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Purchases of capital assets	--	--	--	--
Proceeds from sale of capital assets	--	--	--	--
<b>Net Cash Provided (Used) by Capital Related Financing Activities</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Cash Flows from Investing Activities:</b>				
Interest and dividends	<u>2,756</u>	<u>2,742</u>	<u>1,035</u>	<u>501</u>
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>2,756</u>	<u>2,742</u>	<u>1,035</u>	<u>501</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	21,053	(242,800)	(55,161)	350
<b>Balances - Beginning of Year</b>	<u>662,756</u>	<u>735,023</u>	<u>285,694</u>	<u>134,127</u>
<b>Balances - End of Year</b>	<u><u>\$ 683,809</u></u>	<u><u>\$ 492,223</u></u>	<u><u>\$ 230,533</u></u>	<u><u>\$ 134,477</u></u>

continued

# COUNTY OF LAKE

## Combining Statement of Cash Flows (continued) Internal Service Funds For the Year Ended June 30, 2015

	Heavy Equipment Rental	Fleet Maintenance	Central Garage	Totals
<b>Cash Flows from Operating Activities:</b>				
Receipts from customers	\$ 1,041,980	\$ 435,105	\$ 407,597	\$ 6,254,826
Payments to suppliers	(767,266)	(56,440)	(410,792)	(5,888,234)
Payments to employees	--	(375,740)	--	(375,740)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>274,714</u>	<u>2,925</u>	<u>(3,195)</u>	<u>(9,148)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Purchases of capital assets	(156,229)	--	(148,660)	(304,889)
Proceeds from sale of capital assets	6,316	--	3,544	9,860
<b>Net Cash Provided (Used) by Capital Related Financing Activities</b>	<u>(149,913)</u>	<u>--</u>	<u>(145,116)</u>	<u>(295,029)</u>
<b>Cash Flows from Investing Activities:</b>				
Interest and dividends	--	--	2,778	9,812
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>--</u>	<u>--</u>	<u>2,778</u>	<u>9,812</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	124,801	2,925	(145,533)	(294,365)
<b>Balances - Beginning of Year</b>	<u>544,801</u>	<u>93,914</u>	<u>787,671</u>	<u>3,243,986</u>
<b>Balances - End of Year</b>	<u>\$ 669,602</u>	<u>\$ 96,839</u>	<u>\$ 642,138</u>	<u>\$ 2,949,621</u>

continued

# COUNTY OF LAKE

## Combining Statement of Cash Flows (continued) Internal Service Funds For the Year Ended June 30, 2015

	Risk Management			
	Unemployment Insurance	Public Liability Insurance	Workers' Compensation Insurance	Employee Health/Wellness
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income (loss)	\$ 98,260	\$ (293,248)	\$ (56,196)	\$ (205)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Depreciation	--	--	--	--
Decrease (increase) in:				
Inventory	--	--	--	--
Increase (decrease) in:				
Accounts payable	--	--	--	54
Salaries and benefits payable	--	--	--	--
Compensated absences payable	--	--	--	--
OPEB obligation	--	--	--	--
Estimated claims liability	(79,963)	47,706	--	--
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 18,297</u>	<u>\$ (245,542)</u>	<u>\$ (56,196)</u>	<u>\$ (151)</u>

continued

# COUNTY OF LAKE

## Combining Statement of Cash Flows (continued) Internal Service Funds For the Year Ended June 30, 2015

	Heavy Equipment Rental	Fleet Maintenance	Central Garage	Totals
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income (loss)	\$ 33,184	\$ 105	\$ (34,159)	\$ (252,259)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Depreciation	244,311	--	87,618	331,929
Decrease (increase) in:				
Inventory	(2,573)		--	(2,573)
Increase (decrease) in:				
Accounts payable	(208)	(88)	(56,654)	(56,896)
Salaries and benefits payable	--	666	--	666
Compensated absences payable	--	29	--	29
OPEB obligation	--	2,213	--	2,213
Estimated claims liability	--	--	--	(32,257)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 274,714</u>	<u>\$ 2,925</u>	<u>\$ (3,195)</u>	<u>\$ (9,148)</u>

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**TRUST AND AGENCY FUNDS**

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**COUNTY OF LAKE**

Combining Statement of Fiduciary Net Position  
Investment Trust Funds  
June 30, 2015

	Special Districts Governed by Local Boards	School Districts	Total Investment Trust Funds
<b>Assets</b>			
Cash and investments	\$ 12,267,483	\$ 33,736,287	\$ 46,003,770
Total Assets	<u>\$ 12,267,483</u>	<u>\$ 33,736,287</u>	<u>\$ 46,003,770</u>
<b>Net Position</b>			
Held in trust	<u>\$ 12,267,483</u>	<u>\$ 33,736,287</u>	<u>\$ 46,003,770</u>

# COUNTY OF LAKE

## Combining Statement of Changes in Fiduciary Net Position Investment Trust Funds For the Year Ended June 30, 2015

	Special Districts Governed by Local Boards	School Districts	Total Investment Trust Funds
<b>Additions</b>			
Contributions from participants	\$ 6,770,043	\$ 119,950,567	\$ 126,720,610
Interest and investment income	46,104	109,307	155,411
<b>Total Additions</b>	<u>6,816,147</u>	<u>120,059,874</u>	<u>126,876,021</u>
<b>Deductions</b>			
Distributions to participants	7,167,628	113,519,040	120,686,668
<b>Total Deductions</b>	<u>7,167,628</u>	<u>113,519,040</u>	<u>120,686,668</u>
<b>Change in Net Position</b>	(351,481)	6,540,834	6,189,353
<b>Net Position, Beginning of Year</b>	<u>12,618,964</u>	<u>27,195,453</u>	<u>39,814,417</u>
<b>Net Position, End of Year</b>	<u>\$ 12,267,483</u>	<u>\$ 33,736,287</u>	<u>\$ 46,003,770</u>

# COUNTY OF LAKE

## Combining Statement of Assets and Liabilities Agency Funds June 30, 2015

	County Departmental	Unapportioned Taxes	Unapportioned Interest	Total
<b>Assets</b>				
Cash and investments	\$ 6,471,088	\$ 3,843,406	\$ 89,044	\$ 10,403,538
Taxes and assessments receivable	--	9,014,678	--	9,014,678
<b>Total Assets</b>	<u>\$ 6,471,088</u>	<u>\$ 12,858,084</u>	<u>\$ 89,044</u>	<u>\$ 19,418,216</u>
<b>Liabilities</b>				
Fiduciary liabilities	\$ 6,471,088	\$ 12,858,084	\$ 89,044	\$ 19,418,216
<b>Total Liabilities</b>	<u>\$ 6,471,088</u>	<u>\$ 12,858,084</u>	<u>\$ 89,044</u>	<u>\$ 19,418,216</u>

# COUNTY OF LAKE

## Combining Statement of Changes in Assets and Liabilities Agency Funds For the Year Ended June 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
<b>County Departmental</b>				
<b>ASSETS</b>				
Cash and investments	\$ 6,791,111	\$ 58,829,206	\$ 59,149,229	\$ 6,471,088
Advance to other funds	18,421	--	18,421	--
<b>Total Assets</b>	<u>\$ 6,809,532</u>	<u>\$ 58,829,206</u>	<u>\$ 59,167,650</u>	<u>\$ 6,471,088</u>
<b>LIABILITIES</b>				
Agency fund obligations	\$ 6,809,532	\$ --	\$ 338,444	\$ 6,471,088
<b>Total Liabilities</b>	<u>\$ 6,809,532</u>	<u>\$ --</u>	<u>\$ 338,444</u>	<u>\$ 6,471,088</u>
<b>Unapportioned Taxes</b>				
<b>ASSETS</b>				
Cash and investments	\$ 2,615,577	\$ 232,507,719	\$ 231,279,890	\$ 3,843,406
Taxes receivable	9,974,505	106,054,292	107,014,119	9,014,678
<b>Total Assets</b>	<u>\$ 12,590,082</u>	<u>\$ 338,562,011</u>	<u>\$ 338,294,009</u>	<u>\$ 12,858,084</u>
<b>LIABILITIES</b>				
Agency fund obligations	\$ 12,590,081	\$ 268,003	\$ --	\$ 12,858,084
<b>Total Liabilities</b>	<u>\$ 12,590,081</u>	<u>\$ 268,003</u>	<u>\$ --</u>	<u>\$ 12,858,084</u>
<b>Unapportioned Interest</b>				
<b>ASSETS</b>				
Cash and investments	\$ 154,427	\$ 89,044	\$ 154,427	\$ 89,044
<b>Total Assets</b>	<u>\$ 154,427</u>	<u>\$ 89,044</u>	<u>\$ 154,427</u>	<u>\$ 89,044</u>
<b>LIABILITIES</b>				
Agency fund obligations	\$ 154,427	\$ 89,044	\$ 154,427	\$ 89,044
<b>Total Liabilities</b>	<u>\$ 154,427</u>	<u>\$ 89,044</u>	<u>\$ 154,427</u>	<u>\$ 89,044</u>
<b>Total Agency Funds</b>				
<b>ASSETS</b>				
Cash and investments	\$ 9,561,114	\$ 291,425,968	\$ 290,583,546	\$ 10,403,538
Taxes receivable	9,974,504	106,054,292	107,014,119	9,014,678
Advance to other funds	18,421	--	18,421	--
<b>Total Assets</b>	<u>\$ 19,554,039</u>	<u>\$ 397,480,260</u>	<u>\$ 397,616,086</u>	<u>\$ 19,418,216</u>
<b>LIABILITIES</b>				
Agency fund obligations	19,554,040	357,047	492,871	19,418,216
<b>Total Liabilities</b>	<u>\$ 19,554,040</u>	<u>\$ 357,047</u>	<u>\$ 492,871</u>	<u>\$ 19,418,216</u>



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## COUNTY OF LAKE, CALIFORNIA STATISTICAL SECTION

This part of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

- **Financial Trends**

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

- **Revenue Capacity**

These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.

- **Debt Capacity**

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

- **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.

- **Operating Information**

These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.

# COUNTY OF LAKE

## Government-wide Net Position by Component Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year			
	2005-2006	2006-2007	2007-2008	2008-2009
Governmental activities				
Net investment in capital assets <sup>1</sup>	\$ 114,680,969	\$ 115,150,670	\$ 120,244,745	\$ 123,233,208
Restricted	36,771,706	43,103,393	44,988,334	37,737,244
Unrestricted	25,069,031	22,244,523	26,111,442	30,706,166
Total governmental activities net position	<u>\$ 176,521,706</u>	<u>\$ 180,498,586</u>	<u>\$ 191,344,521</u>	<u>\$ 191,676,618</u>
Business-type activities				
Net investment in capital assets	\$ 6,144,573	\$ 5,835,973	\$ 5,507,681	\$ 5,224,410
Restricted	3,561,534	3,761,534	3,761,534	4,377,906
Unrestricted	803,656	311,985	(346,376)	(1,586,849)
Total business-type activities net position	<u>\$ 10,509,763</u>	<u>\$ 9,909,492</u>	<u>\$ 8,922,839</u>	<u>\$ 8,015,467</u>
Primary government				
Net investment in capital assets	\$ 120,825,542	\$ 120,986,643	\$ 125,752,426	\$ 128,457,618
Restricted	40,333,240	46,864,927	48,749,868	42,115,150
Unrestricted	25,872,687	22,556,508	25,765,066	29,119,317
Total primary government net position <sup>2</sup>	<u>\$ 187,031,469</u>	<u>\$ 190,408,078</u>	<u>\$ 200,267,360</u>	<u>\$ 199,692,085</u>
Percent of increase (decrease) in primary government net position	2.11%	1.81%	5.18%	-0.29%

### Notes:

<sup>1</sup> Capital assets include land, easements, infrastructure, construction in progress, structures and improvements, and equipment

<sup>2</sup> Accounting standards require that net position be reported in three components in the government-wide financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted only when an external party, such as the state or federal government, places a restriction on how the resources may be used, or through enabling legislation enacted by the County.



Fiscal Year					
2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
\$ 127,764,406	\$ 129,759,766	\$ 127,708,334	\$ 132,157,699	\$ 139,735,646	\$ 141,165,157
34,348,436	41,329,661	43,606,529	46,229,210	58,774,579	59,947,580
28,232,351	29,428,896	30,017,634	34,954,306	22,045,340	(31,119,468)
<u>\$ 190,345,193</u>	<u>\$ 200,518,323</u>	<u>\$ 201,332,497</u>	<u>\$ 213,341,215</u>	<u>\$ 220,555,565</u>	<u>\$ 169,993,269</u>
\$ 5,290,950	\$ 4,955,759	\$ 4,820,394	\$ 4,515,458	\$ 5,461,380	\$ 5,476,880
4,648,601	4,601,544	--	--	--	--
(2,800,818)	(3,246,244)	1,361,889	1,910,311	1,308,741	905,974
<u>\$ 7,138,733</u>	<u>\$ 6,311,059</u>	<u>\$ 6,182,283</u>	<u>\$ 6,425,769</u>	<u>\$ 6,770,121</u>	<u>\$ 6,382,854</u>
\$ 133,055,356	\$ 134,715,525	\$ 132,528,728	\$ 136,673,157	\$ 145,197,026	\$ 146,642,037
38,997,037	45,931,205	43,606,529	46,229,210	58,774,579	59,947,580
25,431,533	26,182,652	31,379,523	36,864,617	23,354,081	(30,213,494)
<u>\$ 197,483,926</u>	<u>\$ 206,829,382</u>	<u>\$ 207,514,780</u>	<u>\$ 219,766,984</u>	<u>\$ 227,325,686</u>	<u>\$ 176,376,123</u>
-1.11%	4.73%	0.33%	5.90%	3.44%	-22.41%

# COUNTY OF LAKE

## Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year			
	2005-2006	2006-2007	2007-2008	2008-2009
Expenses				
Governmental activities				
General government	\$ 10,879,994	\$ 11,973,174	\$ 13,715,474	\$ 15,191,663
Public protection	32,802,892	36,627,134	37,743,276	37,770,494
Public ways and facilities	17,846,107	20,045,967	20,170,809	15,298,651
Health and sanitation	33,184,094	35,564,972	22,698,200	29,294,683
Public assistance	26,760,470	25,252,478	34,286,211	38,139,448
Education	1,174,779	1,424,273	1,364,334	1,328,710
Recreational and cultural services	1,057,238	903,185	1,200,640	1,425,587
Debt service:				
Interest and fiscal charges	799,792	933,711	862,712	836,875
Total governmental activities expense	124,505,366	132,724,894	132,041,656	139,286,111
Business-type activities				
Solid waste management	2,600,576	3,064,560	2,800,899	2,713,001
Total business-type activities expenses	2,600,576	3,064,560	2,800,899	2,713,001
Total primary government expenses	\$ 127,105,942	\$ 135,789,454	\$ 134,842,555	\$ 141,999,112
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 3,511,720	\$ 3,481,398	\$ 3,829,049	\$ 4,247,868
Public protection	6,631,786	5,902,131	5,393,016	4,552,776
Public ways and facilities	6,161,617	7,163,899	7,948,728	8,083,963
Health and sanitation	7,313,527	7,339,464	8,047,289	7,461,033
Public assistance	111,738	298,525	75,856	116,815
Education	--	25,320	26,813	24,953
Recreational and cultural	29,924	100,084	52,598	10,179
Operating grants and contributions	56,790,887	70,189,286	68,767,430	69,921,581
Capital grants and contributions	4,193,475	3,831,901	6,150,223	4,017,714
Total governmental activities program revenues	84,744,674	98,332,008	100,291,002	98,436,882
Business-type activities				
Charges for services				
Solid waste management	2,402,339	2,301,626	1,876,406	1,604,137
Operating grants and contributions	95,437	132,879	--	78,599
Capital grants and contributions	--	--	--	50,915
Total business-type activities program revenues	2,497,776	2,434,505	1,876,406	1,733,651
Total primary government program revenues	\$ 87,242,450	\$ 100,766,513	\$ 102,167,408	\$ 100,170,533
Net (Expense)Revenue <sup>1</sup>				
Governmental activities	(39,760,692)	(34,392,886)	(31,750,654)	(40,849,229)
Business-type activities	(102,800)	(630,055)	(924,493)	(979,350)
Total Primary Government Net Expense	\$ (39,863,492)	\$ (35,022,941)	\$ (32,675,147)	\$ (41,828,579)

<sup>1</sup>Net expense is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program supports itself with its own fees and grants versus its reliance upon funding from taxes and general revenues. Numbers in parentheses are net expenses, indicating that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program.

Source: Basic financial statements and Comprehensive Annual Financial Reports - County of Lake, California

Fiscal Year					
2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
\$ 14,123,720	\$ 11,993,533	\$ 13,378,397	\$ 11,277,248	\$ 11,881,773	\$ 10,799,649
36,406,853	35,912,625	34,497,620	35,548,919	37,962,106	37,276,431
15,710,332	15,922,559	15,962,568	12,783,460	13,223,197	13,601,346
24,636,130	22,820,937	24,367,096	24,043,204	24,652,711	25,795,685
37,990,878	39,943,808	39,828,753	40,115,108	41,164,775	40,500,099
1,259,325	1,255,839	1,220,056	1,342,771	1,270,546	1,206,245
1,419,818	1,473,657	1,576,138	1,678,444	1,660,156	1,783,520
691,874	632,157	1,178,234	557,357	622,320	580,154
132,238,930	129,955,115	132,008,862	127,346,511	132,437,584	131,543,129
2,536,356	2,469,243	2,211,157	2,364,280	2,375,976	2,540,963
2,536,356	2,469,243	2,211,157	2,364,280	2,375,976	2,540,963
\$ 134,775,286	\$ 132,424,358	\$ 134,220,019	\$ 129,710,791	\$ 134,813,560	\$ 134,084,092
\$ 4,112,277	\$ 3,024,021	\$ 4,626,453	\$ 4,840,325	\$ 4,558,630	\$ 4,361,897
4,056,989	4,173,442	5,536,892	5,467,359	5,532,455	5,573,162
7,775,941	9,788,016	6,991,945	7,357,706	7,715,549	7,368,399
9,332,628	6,885,409	8,065,592	8,734,527	9,382,913	8,535,190
329,422	2,755,571	2,633,758	2,721,283	2,752,479	1,481,046
23,773	22,965	61,346	65,823	59,309	51,557
34,300	34,782	31,989	20,955	27,660	24,914
61,741,466	77,928,429	68,923,497	76,189,444	77,383,334	79,675,548
4,216,888	33,146	--	--	--	2,117,077
91,623,684	104,645,781	96,871,472	105,397,422	107,412,329	109,188,790
1,560,729	1,422,835	1,950,735	2,490,604	2,611,102	2,851,946
29,296	117,700	--	36,787	24,500	79,082
--	--	43,557	--	--	--
1,590,025	1,540,535	1,994,292	2,527,391	2,635,602	2,931,028
\$ 93,213,709	\$ 106,186,316	\$ 98,865,764	\$ 107,924,813	\$ 110,047,931	\$ 112,119,818
(40,615,246)	(25,309,334)	(35,137,330)	(21,949,089)	(25,025,255)	(22,354,339)
(946,331)	(928,708)	(216,865)	163,111	259,626	390,065
\$ (41,561,577)	\$ (26,238,042)	\$ (35,354,195)	\$ (21,785,978)	\$ (24,765,629)	\$ (21,964,274)

# COUNTY OF LAKE

## Fund Balances, Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Year			
	2005-2006	2006-2007	2007-2008	2008-2009
General Fund				
Reserved	\$ 2,054,085	\$ 5,231,364	\$ 6,326,743	\$ 8,258,876
Unreserved	21,907,491	18,578,831	20,053,680	20,424,700
Total general fund	<u>\$ 23,961,576</u>	<u>\$ 23,810,195</u>	<u>\$ 26,380,423</u>	<u>\$ 28,683,576</u>
All Other Governmental Funds				
Reserved	7,246,570	8,301,384	5,275,812	15,204,419
Unreserved, reported in				
Special revenue funds	24,785,727	26,648,214	32,778,028	22,695,550
Capital projects funds	4,492,838	7,730,794	6,366,317	(878,517)
Debt service funds	--	423,001	568,177	715,792
Total all other governmental funds	<u>\$ 36,525,135</u>	<u>\$ 43,103,393</u>	<u>\$ 44,988,334</u>	<u>\$ 37,737,244</u>

General Fund  
    Nonspendable  
    Restricted  
    Assigned  
    Unassigned  
Total general fund

All Other Governmental Funds  
    Nonspendable  
    Restricted  
    Committed  
    Assigned  
    Unassigned  
Total all other governmental funds

<sup>1</sup> GASB Statement No. 54, which became effective in fiscal year 2010-11, requires that fund balance on a prospective basis as either: nonspendable, restricted, committed, assigned, or unassigned.

Source: Basic Financial Statements and Comprehensive Annual Financial Reports - County of Lake, California

Fiscal Year					
2009-2010	2010-2011 <sup>1</sup>	2011-2012	2012-2013	2013-2014	2014-2015
\$ 7,250,910					
23,155,570					
<u>\$ 30,406,480</u>					
12,160,247					
17,425,919					
3,665,185					
--					
<u>\$ 33,251,351</u>					
\$ 6,916,240	\$ 7,088,602	\$ 6,706,342	\$ 5,885,169	\$ 6,718,908	
--	--	2,015,629	2,026,420	2,033,988	
25,647,051	17,126,695	11,109,483	11,165,436	9,512,076	
--	8,591,788	11,104,600	11,435,483	12,483,872	
<u>\$ \$ 32,563,291</u>	<u>\$ \$ 32,807,085</u>	<u>\$ \$ 30,936,054</u>	<u>\$ \$ 30,512,508</u>	<u>\$ \$ 30,748,844</u>	
\$ 150,791	\$ 630,337	\$ 122,305	\$ 119,531	\$ 135,274	
41,772,626	43,606,529	52,011,370	54,858,345	57,913,592	
28,296	--	--	--	3,911,413	
4,248,478	2,503,527	1,434,109	725,232	--	
(4,870,530)	(124,491)	--	--	--	
<u>\$ 41,329,661</u>	<u>\$ 46,615,902</u>	<u>\$ 53,567,784</u>	<u>\$ 55,703,108</u>	<u>\$ 61,960,279</u>	

# COUNTY OF LAKE

## Changes in Fund Balance, Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Year			
	2005-2006	2006-2007	2007-2008	2008-2009
<b>Revenues</b>				
Taxes	\$ 29,446,465	\$ 31,280,675	\$ 32,121,454	\$ 33,579,002
Licenses, fees and permits	2,882,631	2,486,157	2,475,955	2,439,661
Fines, forfeits and penalties	852,214	1,060,425	1,874,388	1,919,549
Use of money and property	2,977,726	3,956,785	3,309,161	1,964,120
Aid from other governments	66,189,628	75,676,696	76,862,863	72,864,304
Charges for services	22,148,468	20,867,976	22,107,287	20,728,894
Miscellaneous	5,494,183	3,258,280	2,631,729	2,431,929
<b>Total revenues</b>	<b>129,991,315</b>	<b>138,586,994</b>	<b>141,382,837</b>	<b>135,927,459</b>
<b>Expenditures</b>				
Current				
General government	10,443,096	11,388,679	13,300,494	13,759,431
Public protection	32,105,835	35,599,219	37,369,778	35,961,703
Public ways and facilities	10,784,201	12,580,650	13,301,673	13,566,794
Health and sanitation	32,513,253	35,366,892	21,913,523	24,489,667
Public assistance	27,139,180	25,184,446	34,304,905	37,865,392
Education	1,137,681	1,392,419	1,335,386	1,283,321
Recreational and cultural studies	795,542	866,627	1,048,130	1,230,385
Capital outlay	7,779,539	7,484,256	13,332,021	8,687,735
Debt service:				
Principal	1,936,206	1,551,366	1,864,601	3,201,617
Interest	862,970	943,659	874,538	855,514
<b>Total expenditures</b>	<b>125,497,503</b>	<b>132,358,213</b>	<b>138,645,049</b>	<b>140,901,559</b>
Excess of revenue over (under) expenditures	4,493,812	6,228,781	2,737,788	(4,974,100)
<b>Other Financing Sources (Uses)</b>				
Sale of capital assets	--	--	--	--
Issuance of debt	1,726,550	336,707	1,733,604	16,910
Transfers in	8,878,335	13,596,316	10,623,221	5,835,007
Transfers out	(8,878,335)	(13,622,316)	(10,646,591)	(5,834,507)
<b>Total other financing sources (uses)</b>	<b>1,726,550</b>	<b>310,707</b>	<b>1,710,234</b>	<b>17,410</b>
Extraordinary item	--	--	--	--
<b>Net change in fund balances</b>	<b>\$ 6,220,362</b>	<b>\$ 6,539,488</b>	<b>\$ 4,448,022</b>	<b>\$ (4,956,690)</b>
Debt service as a percentage of noncapital expenditures	2.38%	2.00%	2.19%	3.07%

Source: Basic Financial Statements and Comprehensive Annual Financial Reports - County of Lake, California

Fiscal Year					
2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
\$ 31,908,945	\$ 32,015,353	\$ 29,700,077	\$ 28,721,507	\$ 30,418,057	\$ 30,115,213
2,339,530	2,158,435	1,526,890	1,586,157	1,639,524	1,699,666
1,603,104	1,521,854	1,403,169	1,350,796	2,042,188	1,560,248
1,536,185	853,184	889,588	821,702	784,963	713,471
71,060,080	78,611,207	70,908,303	73,588,236	79,582,404	82,387,655
22,080,881	23,772,486	23,775,821	24,526,056	24,995,147	22,667,699
2,200,331	1,845,524	1,479,837	1,667,602	1,445,443	1,488,712
<u>132,729,056</u>	<u>140,778,043</u>	<u>129,683,685</u>	<u>132,262,056</u>	<u>140,907,726</u>	<u>140,632,664</u>
12,682,018	11,119,073	12,797,285	10,449,689	11,203,454	10,576,814
35,067,956	34,420,143	33,628,059	34,807,737	36,944,048	37,162,182
14,010,963	13,634,029	14,348,741	12,738,425	13,513,470	12,035,859
19,629,888	18,868,614	20,075,903	19,869,322	20,819,573	22,035,206
37,562,101	39,569,238	39,726,870	40,029,613	40,990,894	40,606,732
1,201,881	1,201,233	1,183,787	1,311,071	1,232,850	1,184,220
1,245,487	1,261,247	1,397,606	1,497,568	1,481,271	1,625,202
12,020,157	9,330,350	8,288,210	8,777,884	10,757,313	6,665,572
1,789,286	1,844,738	1,518,663	1,514,425	1,602,478	1,656,857
708,752	664,653	1,026,808	579,292	648,112	600,290
<u>135,918,489</u>	<u>131,913,318</u>	<u>133,991,932</u>	<u>131,575,026</u>	<u>139,193,463</u>	<u>134,148,934</u>
(3,189,433)	8,864,725	(4,308,247)	687,030	1,714,263	6,483,730
--	275,688	1,455	2,254	289	9,777
435,249	864,504	4,500,000	--	--	--
12,540,849	3,733,489	6,547,693	2,887,464	3,374,574	5,460,257
(12,540,849)	(3,733,489)	(6,547,693)	(2,867,682)	(3,374,574)	(5,460,257)
<u>435,249</u>	<u>1,140,192</u>	<u>4,501,455</u>	<u>22,036</u>	<u>289</u>	<u>9,777</u>
--	--	5,330,342	--	--	--
<u>\$ (2,754,184)</u>	<u>\$ 10,004,917</u>	<u>\$ 5,523,550</u>	<u>\$ 709,066</u>	<u>\$ 1,714,552</u>	<u>\$ 6,493,507</u>
2.02%	2.05%	2.02%	1.71%	1.75%	1.77%

**COUNTY OF LAKE****Assessed Value of Taxable Property and Actual Value of Property  
Last Ten Years**

<b>Fiscal Year</b>	<b>Secured</b>	<b>Unsecured</b>	<b>Unitary</b>	<b>Exempt</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>
2005-2006	5,106,020,899	143,606,842	87,713,207	(219,064,826)	5,118,276,122	1.00000
2006-2007	5,966,291,269	153,252,765	85,653,680	(237,072,260)	5,968,125,454	1.00000
2007-2008	6,664,955,553	164,470,378	94,113,572	(245,526,816)	6,678,012,687	1.00000
2008-2009	6,924,655,626	195,061,720	121,130,023	(280,850,654)	6,959,996,715	1.00000
2009-2010	6,641,695,302	188,631,595	121,130,023	(289,390,449)	6,662,066,471	1.00000
2010-2011	6,272,928,356	156,777,045	124,016,981	(302,459,343)	6,251,263,039	1.00000
2011-2012	6,485,607,299	154,746,722	133,434,108	(304,283,452)	6,469,504,677	1.00000
2012-2013	6,464,567,588	150,878,760	136,510,915	(297,286,619)	6,454,670,644	1.00000
2013-2014	6,416,886,271	151,069,565	141,146,170	(304,968,452)	6,404,133,554	1.00000
2014-2015	6,386,528,975	153,800,251	144,387,077	(307,826,291)	6,376,890,012	1.00000

Source: Auditor-Controller, Property Tax Division



# COUNTY OF LAKE

## Property Tax Rates - Direct and Overlapping Governments Last Ten Years

Fiscal Year	Property Tax Rate Per \$100 of Assessed Value		Distribution of General Levy Property Taxes				
	Low	High	County	Cities	School District	Special District	Total Rate
2005-2006	1.00000	1.09816	25.88	2.35	58.41	13.36	100.00
2006-2007	1.00000	1.07360	26.00	2.36	58.13	13.51	100.00
2007-2008	1.00000	1.04997	26.08	2.38	57.95	13.58	100.00
2008-2009	1.00000	1.10080	26.10	2.41	57.91	13.59	100.00
2009-2010	1.00000	1.10080	26.10	2.41	57.95	13.55	100.00
2010-2011	1.00000	1.10253	26.09	2.37	58.00	13.53	100.00
2011-2012	1.00000	1.11674	26.09	2.35	58.07	13.49	100.00
2012-2013	1.00000	1.09600	26.09	2.32	58.14	13.45	100.00
2013-2014	1.00000	1.09600	26.20	2.33	58.04	13.43	100.00
2014-2015	1.00000	1.09497	26.21	2.31	58.07	13.41	100.00

(1) Rates shown represent a weighted average of the various school district tax rate areas within the County of Lake

Source: Auditor-Controller, Property Tax Division

**COUNTY OF LAKE**

**Principal Property Taxpayers  
June 30, 2015 and June 30, 2006**

**June 30, 2015:**

<b>Taxpayers</b>	<b>Type of Business</b>	<b>Net Assessed Secured Property Value</b>	<b>Percentage of Total Net Assessed Value</b>	<b>Total Secured Tax Levy Fiscal Year 2014-15</b>	<b>Percentage of Total Secured Tax Levy Fiscal Year 2014-15</b>
Geysers Power Company LLC	Utility	402,999,744	6.23%	4,353,866	5.72%
Pacific Gas & Electric Co.	Utility	116,477,378	1.80%	1,253,610	1.65%
Bottle Rock Power Company	Utility	43,488,821	0.67%	469,737	0.62%
Gallo Vineyards Inc.	Agriculture	33,329,021	0.52%	365,054	0.48%
Brassfield Estate Vineyard	Agriculture	23,662,867	0.37%	259,132	0.34%
Worldmark	Resort	18,079,336	0.28%	195,270	0.26%
Smith M M Trustee	Resort	18,532,658	0.29%	193,254	0.25%
Heart Consciousness Church, Inc	Religious	17,260,247	0.27%	188,097	0.25%
Safeway Inc	Retail	16,841,600	0.26%	184,951	0.24%
Beckstoffer Vineyards	Agriculture	16,546,101	0.26%	171,644	0.23%
Ten Largest Taxpayers		707,217,773	10.94%	7,634,613	10.03%
All Other Taxpayers		5,759,473,600	89.06%	68,491,161	89.97%
Total		6,466,691,373	100.00%	76,125,774	100.00%

**June 30, 2006:**

<b>Taxpayers</b>	<b>Type of Business</b>	<b>Net Assessed Secured Property Value</b>	<b>Percentage of Total Net Assessed Value</b>	<b>Total Secured Tax Levy Fiscal Year 2005-06</b>	<b>Percentage of Total Secured Tax Levy Fiscal Year 2005-06</b>
Geysers Power Company	Utility	245,077,105	4.84%	2,452,187	4.20%
Pacific Gas & Electric Co.	Utility	60,324,554	1.19%	628,592	1.08%
Worldmark	Resort	16,150,099	0.32%	176,610	0.30%
Pacific Bell & Subsidiaries	Utility	16,224,709	0.32%	168,466	0.29%
Smith MM Trustee	Resort	12,497,300	0.25%	127,093	0.22%
Ojai Ranch & Investment	Agriculture	9,288,723	0.18%	96,704	0.17%
Wal-Mart Stores Inc.	Retail	8,941,193	0.18%	94,759	0.16%
Yolo County Flood Control	Utility	8,351,355	0.16%	86,932	0.15%
Michael Browning Trustee	Residential	6,983,270	0.14%	70,918	0.12%
Lany Lakeport LP	Retail	6,463,740	0.13%	69,941	0.12%
Ten Largest Taxpayers		390,302,048	7.70%	3,972,202	6.81%
All Other Taxpayers		4,675,317,511	92.30%	54,367,956	93.19%
Total		5,065,619,559	100.00%	58,340,158	100.00%

Source: Auditor-Controller

# COUNTY OF LAKE

## Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year	Taxes Levied	Collections within Fiscal Year of Levy		Collections in subsequent years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2005-2006	58,302,432	55,594,323	95.36%	2,323,345	57,917,668	99.34%
2006-2007	67,037,971	62,806,616	93.69%	3,133,484	65,940,100	98.36%
2007-2008	75,597,720	69,466,406	91.89%	4,494,445	73,960,850	97.83%
2008-2009	78,438,800	72,875,870	92.91%	4,530,719	77,406,589	98.68%
2009-2010	78,643,345	73,289,493	93.19%	4,268,744	77,558,237	98.62%
2010-2011	77,156,892	72,753,236	94.29%	2,692,270	75,445,506	97.78%
2011-2012	77,881,542	73,379,476	94.22%	1,561,431	74,940,907	96.22%
2012-2013	78,069,672	73,455,051	94.09%	1,685,351	75,140,402	96.25%
2013-2014	77,086,454	72,682,389	94.29%	350,775	73,033,164	94.74%
2014-2015	76,839,060	72,528,799	94.39%	918,509	73,447,308	95.59%

Source: Auditor-Controller

# COUNTY OF LAKE

## General Governmental Tax Revenue by Source Last Ten Fiscal Years

Fiscal Year	Sales Tax			Motor Vehicle In- Lieu Taxes	Property Tax	Total	Annual Report Tax & Assmt
	Local	In-Lieu	Public Safety				
2005-2006	1,912,964	665,668	2,536,107	5,478,805	16,644,657	27,238,201	24,702,094
2006-2007	2,254,325	638,927	2,983,376	5,853,064	17,677,555	29,407,247	26,423,871
2007-2008	2,121,469	873,494	2,823,313	6,529,221	17,818,856	30,166,353	27,343,040
2008-2009	2,151,152	622,269	2,555,488	6,763,765	18,774,227	30,866,901	28,311,413
2009-2010	1,610,599	727,854	2,461,997	6,766,796	18,260,290	29,827,536	27,365,539
2010-2011	1,790,652	394,926	2,482,403	6,667,341	18,081,302	29,416,624	26,934,221
2011-2012	1,835,086	645,430	2,574,800	6,578,037	15,633,257	27,266,610	24,691,810
2012-2013	2,056,878	701,342	2,803,027	6,551,325	16,036,647	28,149,219	25,346,192
2013-2014	1,998,735	712,778	2,837,615	6,639,896	17,801,600	29,990,625	27,153,009
2014-2015	2,011,624	656,771	2,992,627	6,499,495	17,688,673	29,849,191	26,856,564

Source: Auditor-Controller

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**COUNTY OF LAKE**

**Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years**

<b>Fiscal Years</b>	<b>Governmental Activities</b>					<b>Capital Lease Payable</b>
	<b>General Obligation Bonds</b>	<b>Special Assessment Bonds</b>	<b>Loans Payable</b>	<b>Revenue Bonds</b>	<b>Certificates of Participation</b>	
2005/2006	1,066,000	2,508,000	17,637,743	-	2,501,588	7,380
2006/2007	953,000	2,160,000	16,580,883	-	2,806,495	5,675
2007/2008	824,000	1,781,000	16,992,568	-	2,773,196	3,755
2008/2009	691,000	1,370,000	14,373,404	-	2,738,496	16,910
2009/2010	550,000	927,000	13,656,377	-	2,702,396	-
2010/2011	405,000	451,000	13,334,843	-	2,664,296	-
2011/2012	253,000	404,000	12,056,511	4,500,000	2,625,396	-
2012/2013	144,000	3,586,000	10,740,086	4,500,000	2,584,396	-
2013/2014	75,000	304,000	9,386,407	4,415,000	2,541,596	-
2014/2015	-	249,000	7,994,151	4,325,000	2,496,996	-

<b>Governmental Activities</b>			
		<b>Percentage</b>	
<b>Total</b>	<b>Total Primary Government</b>	<b>of Personal Income</b>	<b>Per Capita</b>
23,720,711	23,720,711	1.26%	370
22,506,053	22,506,053	0.12%	350
22,374,519	22,374,519	0.11%	349
19,189,810	19,189,810	0.92%	300
17,835,773	17,835,773	0.85%	278
16,855,139	16,855,139	0.79%	260
19,838,907	19,838,907	1.12%	314
21,554,482	21,554,482	1.19%	284
16,722,003	16,722,003	0.86%	258
15,065,147	15,065,147	n/a	232

# COUNTY OF LAKE

## Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years

Fiscal Years	General Bonded Debt Outstanding			Percentage of Personal Income	Percentage of Total Taxable Assessed Value	Per Capita
	General Obligation Bonds	Special Assessment Bonds	Total			
2005/2006	1,066,000	2,508,000	3,574,000	0.19%	0.07%	57
2006/2007	953,000	2,160,000	3,113,000	0.16%	0.05%	49
2007/2008	824,000	1,781,000	2,605,000	0.12%	0.04%	41
2008/2009	691,000	1,370,000	2,061,000	0.10%	0.03%	32
2009/2010	550,000	927,000	1,477,000	0.07%	0.02%	23
2010/2011	405,000	451,000	856,000	0.04%	0.01%	13
2011/2012	253,000	404,000	657,000	0.04%	0.01%	10
2012/2013	144,000	356,000	500,000	0.03%	0.01%	8
2013/2014	75,000	304,000	379,000	0.02%	0.01%	6
2014/2015	-	249,000	249,000	n/a	0.00%	4



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# COUNTY OF LAKE

## Legal Debt Margin Information for Last Ten Fiscal Years ending June 30, 2015

	2006	2007	2008	2009
<b>Total assessed value of all real and personal property</b>	<b>\$ 5,337,340,948</b>	<b>\$ 6,205,197,714</b>	<b>\$ 6,923,539,503</b>	<b>\$ 7,240,847,369</b>
<b>Debt limit percentage</b>	<b>1.25%</b>	<b>1.25%</b>	<b>1.25%</b>	<b>1.25%</b>
<b>Debt Limit</b>	<b>\$ 66,716,762</b>	<b>\$ 77,564,971</b>	<b>\$ 86,544,244</b>	<b>\$ 90,510,592</b>
<b>Total net debt applicable to limit</b>	<b>3,574,000</b>	<b>3,113,000</b>	<b>2,605,000</b>	<b>2,061,000</b>
<b>Legal debt margin</b>	<b>\$ 63,142,762</b>	<b>\$ 74,451,971</b>	<b>\$ 83,939,244</b>	<b>\$ 88,449,592</b>
<b>Total net debt applicable to the limit as a percentage of debt limit</b>	<b>5.36%</b>	<b>4.01%</b>	<b>3.01%</b>	<b>2.28%</b>

2010	2011	2012	2013	2014	2015
\$ 6,951,456,920	\$ 6,553,722,382	\$ 6,773,788,129	\$ 6,751,957,263	\$ 6,709,102,006	\$ 6,684,716,303
1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
\$ 86,893,212	\$ 81,921,530	\$ 84,672,352	\$ 84,399,466	\$ 83,863,775	\$ 83,558,954
1,477,000	856,000	657,000	500,000	379,000	249,000
\$ 85,416,212	\$ 81,065,530	\$ 84,015,352	\$ 83,899,466	\$ 83,484,775	\$ 83,309,954
1.70%	1.04%	0.78%	0.59%	0.45%	0.30%

**COUNTY OF LAKE**

**Pledged-Revenue Coverage**

**Special Assessment Bonds**

<b>Fiscal Year</b>	<b>Special Assessment Collections</b>	<b>Debt Service</b>		<b>Coverage</b>
		<b>Principal</b>	<b>Interest</b>	
2006	\$ 461,994	\$ 761,000	\$ 207,400	0.48
2007	474,712	348,000	168,856	0.92
2008	178,747	379,000	141,574	0.34
2009	431,344	411,000	111,730	0.83
2010	462,229	443,000	79,252	0.89
2011	72,267	476,000	42,481	0.14
2012	67,761	47,000	22,550	0.97
2013	63,742	48,000	20,200	0.93
2014	64,985	52,000	17,800	0.93
2015	38,101	55,000	15,200	0.54

# COUNTY OF LAKE

## Demographic and Economic Indicators Last Ten Fiscal Years

(1) Year	(2) Population	(3) Personal Income	(3) Per Capita Personal Income	(4) School Enrollment	(5) Unemployment Rate
2005	63,250	1,753,722,000	27,309	9,637	7.4%
2006	64,105	1,878,282,000	28,993	10,244	7.1%
2007	64,276	1,939,920,000	30,077	9,192	7.8%
2008	64,059	2,089,364,000	32,099	9,804	9.7%
2009	64,025	2,080,699,000	31,874	9,663	14.7%
2010	64,053	2,107,287,000	32,543	8,857	15.8%
2011	64,784	2,146,801,000	33,375	8,734	16.0%
2012	63,266	1,768,039,281	46,477	9,223	13.7%
2013	64,531	1,817,010,275	47,401	9,145	11.9%
2014	64,699	1,939,527,656	49,985	9,016	9.1%
2015	64,918	N/A	N/A	9,165	7.6%

Detail of estimated population, as of January 1, 2015

Incorporated Cities:

Clearlake	14,977
Lakeport	4,699
Total Incorporated	19,676
Unincorporated	45,242
Total Population	64,918

Notes:

(1) Calendar year

Sources:

- (2) California Department of Finance, Demographic Research Unit as of January 1
- (3) U.S. Department of Commerce, Bureau of Economic Analysis
- (4) California Department of Education
- (5) Employment Development Department, Labor Market Information Division as of June 30

# COUNTY OF LAKE

## Principal Employers

	Fiscal Year 2014/2015			Fiscal Year 2005/2006		
	Permanent Employees	Rank	Percentage of Total County Employment	Permanent Employees	Rank	Percentage of Total County Employment
<b>Top 10</b>						
County of Lake	843	1	14.41%	850	2	12.47%
St. Helena Hospital Clearlake	370	2	6.33%	320	4	4.69%
Sutter Lakeside Hospital	359	3	6.14%	472	3	6.92%
Konocti Unified School District	349	4	5.97%	1,450	1	21.26%
Robinson Rancheria Resort & Casino	325	5	5.56%	300	5	4.40%
Calpine Corp.	283	6	4.84%	200	10	2.93%
Twin Pine Casino	261	7	4.46%	236	8	3.46%
Wal-Mart	252	8	4.31%	262	6	3.84%
Harbin Hot Springs	235	9	4.02%	-	-	0.00%
Kelseyville Unified School District	209	10	3.57%	-	-	0.00%
Konocti Vista Casino Resort	Not Provided		0.00%	220	9	3.23%
Konocti Harbor Resort & Spa	-		0.00%	250	7	3.67%
<b>Total-Top 10</b>	<b>3,486</b>		<b>59.60%</b>	<b>4,560</b>		<b>66.87%</b>

<sup>1</sup>Data for ten years ago is not available

Source: Lake County Marketing Department as of 9/30/14

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**COUNTY OF LAKE**

**County Employees by Function/Program**

	<u>2005-2006</u>	<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>
Air Quality	5.000	5.000	5.000	5.000	5.000
Economic Development	4.600	4.800	5.800	5.800	5.800
Flood Control	5.000	6.000	5.000	5.000	5.000
General Government	112.300	113.700	118.500	120.450	117.350
Health Services	141.600	162.600	152.750	152.300	124.050
Public Assistance	185.000	190.000	204.000	198.000	197.500
Public Protection	368.050	379.050	371.250	362.750	357.150
Public Ways	34.000	34.000	34.000	34.000	33.000
Recreation, Culture and Education	18.775	23.450	25.700	25.700	23.700
Solid Waste	18.000	18.000	19.000	18.800	19.000
Water/Wastewater Utility	40.000	41.000	41.000	41.000	42.000
	932.325	977.600	982.000	968.800	929.550

*Notes:*

Allocated positions on July 1 of each fiscal year.

Full time equivalent, permanent positions only, split department employee shown in home department.

*Source:*

Final Budget Book



<b><u>2010-2011</u></b>	<b><u>2011-2012</u></b>	<b><u>2012-2013</u></b>	<b><u>2013-2014</u></b>	<b><u>2014-2015</u></b>
5.000	5.000	5.000	4.600	4.600
4.300	4.800	2.800	1.800	0.000
6.000	6.000	5.750	6.750	7.750
111.950	108.950	112.200	109.300	108.800
122.300	121.900	124.400	139.900	143.900
219.500	210.000	217.000	231.750	245.000
348.200	333.650	331.250	338.050	339.550
33.000	33.000	33.000	34.000	34.000
23.700	23.700	23.700	22.700	22.700
15.000	14.000	14.000	13.800	14.000
43.000	42.000	42.000	45.000	45.000
931.950	903.000	911.100	947.650	965.300

# COUNTY OF LAKE

## Operating Indicators by Department/Function Last Ten Fiscal Years

Department/Function	2006	2007	2008	2009	2010
<b>Assessor</b>					
Total number of assessment roll units:					
Secured	62,728	62,820	63,094	63,154	63,154
Unsecured	8,128	8,253	8,266	7,898	7,898
<b>Community Development</b>					
Building permits issued	592	1,556	1,209	936	976
Building inspections conducted	9,684	7,778	6,888	4,734	3,336

Source: Community Development Department

<b>County Clerk/Auditor-Controller</b>					
Certified copies of confidential marriage licenses	20	12	11	18	15
Confidential marriage licenses	8	5	4	7	8
Deputy commissioner for a day	26	24	22	37	46
Fictitious business name statements	657	601	923	513	516
Legal document assistant filings	1	0	2	0	1
Marriage ceremonies performed	152	114	99	89	87
Notary public filings	90	63	47	40	41
Process server filings	5	7	5	6	9
Public marriage licenses	316	307	285	299	274
Unlawful detainer assistant filings	0	1	0	1	0

All figures are based on a fiscal year calculation. The information provided is as of 06/30/14.  
The County Clerk's office is the primary source for information gathered

<b>District Attorney</b>					
Filed Infractions	182	299	122	41	26
Filed felonies	773	758	713	761	739
Filed misdemeanors	2,540	2,166	2,169	2,404	2,135
Number of cases received	5,476	4,695	4,083	4,687	4,317
Total # of cases filed	3,495	3,223	3,004	3,206	2,900

All figures are based on a calender year calculation. The information provided is as of 12/31/13.  
The District Attorney's office is the primary source for information gathered.

<b>Probation</b>					
# of Adults Supervised	786	825	742	713	848
# of Juveniles Supervised	424	381	220	210	116
# of Informal Juvenile Cases	33	27	67	188	19
Avg Juvenile Hall population	34	39	32	22	15
# of Adult Reports	1,063	928	966	848	736
# of Juvenile Reports	313	568	322	395	215
Civil Reports	n/a	n/a	n/a	n/a	n/a

All figures are based on a calender year calculation. The information provided is as of 12/31/13.  
The Probation office is the primary source for information gathered

2011	2012	2013	2014	2015
63,141	63,093	63,082	63,079	63,042
7,792	7,454	7,155	7,330	7,440
818	855	737	691	826
2,632	2,681	1,311	2,922	2,753
16	14	14	36	15
3	6	4	14	7
36	47	40	36	38
552	542	467	508	462
3	2	3	1	2
78	82	88	112	83
41	32	35	42	38
8	11	3	8	5
253	252	278	299	258
0	2	1	1	1
47	53	17	15	n/a
883	868	1,000	1,006	n/a
2,024	1,797	1,630	2,165	n/a
4,508	4,754	5,308	5,553	n/a
2,954	2,718	2,647	3,186	n/a
890	1,050	1,337	1,186	n/a
111	217	169	121	n/a
21	160	83	185	n/a
12	20	20	14	n/a
740	1,028	1,109	909	n/a
210	338	356	226	n/a
n/a	n/a	0	0	n/a

# COUNTY OF LAKE

## Operating Indicators by Department/Function Last Ten Fiscal Years

Department/Function	2006	2007	2008	2009	2010
<b>Public Services</b>					
<b>Parks &amp; Rec</b>					
Acreage	243	244	244	244	1,788
Playgrounds	8	8	12	12	12
Baseball/Softball Fields	4	4	4	4	4
Soccer/Football Fields	n/a	n/a	n/a	n/a	n/a
Tennis Courts	3	3	2	2	2
Public Pools	1	1	1	1	1
Community Centers	n/a	n/a	n/a	n/a	n/a
Veterans Buildings	1	1	1	1	1
Day use & camping parks	22	23	23	23	24
Open space areas (County Developed)	1	1	1	1	1
Outdoor event centers (i.e. Fairgrounds, etc)	n/a	n/a	n/a	n/a	n/a
<b>Solid Waste</b>					
Waste recycled (tons per month)	1,889	2,585	3,000	3,000	3,000
Landfill waste disposal (tons per month)	3,441	4,439	4,250	4,150	4,052
<b>Museums</b>					
# of museums	2	2	2	2	2

Data is as of December 31 of each fiscal year.

Source: Lake County Public Services Department

### Library

* Volumes in Collection	118,204	133,132	139,697	145,655	146,052
*Volumes Borrowed	170,277	179,696	201,072	223,268	247,510

All figures are based on a fiscal year calculation. The information provided is as of 06/30/14.

\*The information provided by the Library is from an automation system that belongs to Sonoma County Library and is print

### Public Works

Streets (miles)	613	613	613	612	612
Streetlights	7	7	7	7	7
Traffic Signals	3	3	3	3	3
Seawalls	6	6	6	6	6
Bridges	115	113	113	113	118
Roads heavy equipment	61	64	54	54	52
Airport	1	1	1	1	1

All figures are based on a fiscal year calculation. The information provided is as of 06/30/14.

The Public Works office is the primary source for information gathered

2011	2012	2013	2014	2015
------	------	------	------	------

1,788	1,790	1,790	1,790	1,790
12	12	12	12	12
4	4	4	4	4
n/a	n/a	n/a	n/a	n/a
2	2	2	2	2
1	1	1	1	1
n/a	n/a	n/a	1	1
1	1	1	1	1
24	25	25	25	25
1	1	1	1	1
n/a	n/a	n/a	n/a	n/a

3,000	2,240	2,184	2,378	2,067
3,400	2,475	4,681	5,064	5,012

2	2	2	3	4
---	---	---	---	---

146,772	146,590	144,937	147,760	150,409
246,948	163,907	122,611	119,226	112,396

ed from their circulation figures

612	616	616	616	616
19	19	19	19	19
7	7	7	7	7
6	6	6	6	6
118	118	122	122	122
48	48	47	47	47
1	1	1	1	1

# COUNTY OF LAKE

## Operating Indicators by Department/Function Last Ten Fiscal Years

Department/Function	2006	2007	2008	2009	2010
<b>Sheriffs Department</b>					
Stations	2	2	2	2	3
Jail & Detention Facilities	1	1	1	1	1
Cases Written	5,260	5,143	4,736	5,615	5,895
Dispatch Calls	41,640	46,403	50,261	52,990	51,240
Citations issued	700	469	489	608	501
Avg. Daily inmate population	279	282	244	224	227

All figures are based on a fiscal year calculation. The information provided is as of 06/30/14.  
The Sheriff's Office is the primary source for information gathered

### Special Districts

#### Water

Water Mains (miles)	78	85	86	86	148
Pump Stations	n/a	21	21	21	21
Fire Hydrants	268	268	268	268	450
Storage Capacity (thous. of gallons)	4,692	3,902	3,902	3,912	3,902
Wells	n/a	15	15	15	19
Meters	n/a	4,149	4,263	4,283	4,330
Treatment Facilities	n/a	18	18	18	18

#### Wastewater

Collection System (mi)	242	312	316	316	316
Force Mains (mi)	11	38	38	38	92
Lift Stations	64	66	66	66	67
Capacity (AWWF-Mgal/day)	n/a	22	22	22	22
Manholes	n/a	3,939	3,939	3,939	3,940
Treatment Facilities	n/a	4	4	4	4

All figures are based on a fiscal year calculation. The information provided is as of 06/30/14.  
Lake County Special Districts is the primary source for information gathered

2011	2012	2013	2014	2015
3	4	5	4	4
1	1	1	1	1
5,352	5,394	5,038	5,421	5,327
53,137	58,868	54,408	56,539	54,930
514	346	422	453	529
212	264	308	333	308

148	148	148	148	148
21	21	21	21	21
454	454	454	454	454
3,902	3,902	4,002	4,062	4,062
20	22	22	22	23
4,330	4,330	4,330	4,330	4,331
18	18	18	18	18

316	316	316	316	316
92	92	97	97	97
67	67	67	67	67
22	22	22	22	22
3,940	3,940	3,941	3,941	3,941
4	4	4	4	4